

STATE OF MINNESOTA

EIGHTY-FIFTH SESSION — 2008

 ONE HUNDRED EIGHTH DAY

SAINT PAUL, MINNESOTA, MONDAY, APRIL 28, 2008

The House of Representatives convened at 12:30 p.m. and was called to order by Margaret Anderson Kelliher, Speaker of the House.

Prayer was offered by the Reverend Randy Johnson, Pastor, First United Methodist Church, St. Cloud, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abeler	Dittrich	Heidgerken	Liebling	Otremba	Smith
Anderson, S.	Dominguez	Hilstrom	Lieder	Ozment	Solberg
Anzelc	Doty	Hilty	Lillie	Paulsen	Swails
Atkins	Drazkowski	Holberg	Loeffler	Paymar	Thao
Benson	Eastlund	Hoppe	Madore	Pelowski	Thissen
Berns	Eken	Hortman	Magnus	Peppin	Tillberry
Bigham	Emmer	Hosch	Mahoney	Peterson, A.	Tingelstad
Bly	Erhardt	Howes	Mariani	Peterson, N.	Tschumper
Brod	Erickson	Huntley	Marquart	Peterson, S.	Urdahl
Brown	Faust	Jaros	Masin	Poppe	Wagenius
Brynaert	Finstad	Johnson	McFarlane	Rukavina	Walker
Buesgens	Fritz	Juhnke	McNamara	Ruth	Ward
Bunn	Gardner	Kahn	Morgan	Ruud	Wardlow
Carlson	Garofalo	Kalin	Morrow	Sailer	Welti
Clark	Gottwalt	Knuth	Mullery	Seifert	Westrom
Cornish	Greiling	Koenen	Murphy, E.	Sertich	Winkler
Davnie	Gunther	Kohls	Murphy, M.	Severson	Wollschlager
Dean	Hackbarth	Kranz	Nelson	Shimanski	Zellers
DeLaForest	Hamilton	Laine	Nornes	Simon	Spk. Kelliher
Demmer	Hansen	Lanning	Norton	Simpson	
Dettmer	Hausman	Lenczewski	Olin	Slawik	
Dill	Haws	Lesch	Olson	Slocum	

A quorum was present.

Beard and Scalze were excused.

Anderson, B., was excused until 1:25 p.m. Moe was excused until 2:55 p.m. Hornstein was excused until 5:45 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Bigham moved that further reading of the Journal be suspended and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 25, 2008

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Kelliher:

I have vetoed and am returning H. F. No. 3220, Chapter No. 237, a bill granting political subdivisions general authority to make unlimited monetary or in-kind grants to nonprofit organizations.

Political subdivisions derive their powers from the state. Existing law already allows political subdivisions to make grants to nonprofit organizations pursuant to specific appropriations or statutory authority. Local governments also have broad authority to enter contracts or other agreements with nonprofit and other entities to facilitate services to individuals on behalf of the local government.

At a time when many political subdivisions are raising property taxes and requesting additional local government aid, granting political subdivisions authority to use taxpayer money to make unlimited charitable contributions or initiate new grant programs is simply not warranted.

I believe strongly in supporting charitable organizations. However, instead of granting local elected officials the power to make charitable contributions and grants to nonprofits using taxpayer money, political subdivisions should be focusing on ways to lower property taxes. With lower property taxes and more money in their pockets, Minnesota taxpayers can decide for themselves which religious, charitable, or other nonprofit organizations they would like to support.

Sincerely,

TIM PAWLENTY
Governor

STATE OF MINNESOTA
OFFICE OF THE GOVERNOR
SAINT PAUL 55155

April 25, 2008

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives
The State of Minnesota

Dear Speaker Kelliher:

I have vetoed and am returning H. F. No. 1351, Chapter No. 239, the 2007 Omnibus Transportation Policy Bill.

This bill includes many positive provisions I support, including provisions related to the transportation of forest and agricultural products and commercial transportation needs and requirements. However, the bill includes problematic language relating to the implementation of more secure driver's licenses under the federal REAL I.D. Act. For this reason, I am vetoing the bill.

If Minnesota driver's licenses are not compliant with federal REAL I.D. requirements after December 31, 2009, Minnesotans will be prohibited from using their driver's licenses as identification for air travel or for entering federal buildings.

REAL I.D. requires inclusion of minimum security features in state driver's licenses. It was a product of the recommendations of the 9/11 Commission. REAL I.D. was passed by Congress on a bipartisan basis and signed into law by the President. Implementing REAL I.D. will significantly enhance homeland security, reduce identity fraud, and help reduce illegal immigration.

On behalf of the nation's governors, I have been deeply involved in advocating for the federal government to protect states' rights, pay their fair share of this federal mandate, and ensure the privacy rights of our citizens as REAL I.D. moves forward. The federal government's response is not complete or finalized. Until it is, we should be careful not to unduly restrict our ability to at least begin preparations for implementing REAL I.D. or to undertake state initiatives to improve our Minnesota driver's licenses.

I share concerns about the need for government to pay for this program and to protect privacy, but the provisions in this bill are flawed.

My suggestions for improving the REAL I.D. provisions in this bill were not incorporated in the bill. These matters should have been resolved before the bill was presented to me. A clear description of the items or activities we expect the federal government to fund should be included in the bill. Many of the costs of REAL I.D. will overlap with security features Minnesota will pursue for its driver's licenses independently of REAL I.D. It is unrealistic to expect the federal government to pay for implementing those state features. I also requested that language regarding the federal obligation be specific as to the time period involved. These requests were also ignored or rejected.

The bill also prohibits REAL I.D. compliance efforts, unless Congress appropriates and designates funding for Minnesota's costs. Federal funding for REAL I.D., like many other federal programs, may be provided on a reimbursement basis. It is likely that Congress will appropriate funds to a federal agency for disbursement and will not specifically designate federal dollars for Minnesota.

My concerns could have been easily addressed in the bill, but my suggestions were rejected. The positions of interest groups such as the ACLU, the lack of clarity as to what constitutes state costs, and the requirement that Congress designate funds for Minnesota will likely cause protracted and unnecessary litigation for the state and impair homeland security in the process.

I strongly support the compromise privacy protections included in the bill. I am issuing my veto with the hope that the Legislature will re-pass a non-controversial transportation policy bill, without the objectionable language regarding REAL I.D.

Sincerely,

TIM PAWLENTY
Governor

REPORTS OF STANDING COMMITTEES AND DIVISIONS

Carlson from the Committee on Finance to which was referred:

H. F. No. 1724, A bill for an act relating to occupations and professions; providing for registration of naturopathic doctors; amending Minnesota Statutes 2006, sections 116J.70, subdivision 2a; 145.61, subdivision 2; 146.23, subdivision 7; 148B.60, subdivision 3; 214.23, subdivision 1; 604A.01, subdivision 2; 604A.015; proposing coding for new law as Minnesota Statutes, chapter 147E.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. **[147E.01] DEFINITIONS.**

Subdivision 1. Applicability. The definitions in this section apply to this chapter.

Subd. 2. Advisory council. "Advisory council" means the Registered Naturopathic Doctor Advisory Council established under section 147E.35.

Subd. 3. Approved naturopathic medical program. "Approved naturopathic medical program" means a naturopathic medical education program in the United States or Canada and meets the requirements for accreditation by the Council on Naturopathic Medical Education (CNME) or an equivalent federally recognized accrediting body for the naturopathic medical profession recognized by the board. This program must offer graduate-level full-time didactic and supervised clinical training leading to the degree of Doctor of Naturopathy or Doctor of Naturopathic Medicine. The program must be an institution, or part of an institution, of higher education that at the time the student completes the program is:

(1) either accredited or is a candidate for accreditation by a regional institution accrediting agency recognized by the United States Secretary of Education; or

(2) a degree granting college or university that prior to the existence of CNME offered a full-time structured curriculum in basic sciences and supervised patient care comprising a doctoral naturopathic medical education that is at least 132 weeks in duration, must be completed in at least 35 months, and is reputable and in good standing in the judgment of the board.

Subd. 4. Board. "Board" means the Board of Medical Practice or its designee.

Subd. 5. Contact hour. "Contact hour" means an instructional session of 50 consecutive minutes, excluding coffee breaks, registration, meals without a speaker, and social activities.

Subd. 6. Homeopathic preparations. "Homeopathic preparations" means medicines prepared according to the Homeopathic Pharmacopoeia of the United States.

Subd. 7. Registered naturopathic doctor. "Registered naturopathic doctor" means a person authorized and registered to practice naturopathic medicine under this chapter.

Subd. 8. **Minor office procedures.** "Minor office procedures" means the use of operative, electrical, or other methods for the repair and care incidental to superficial lacerations and abrasions, superficial lesions, and the removal of foreign bodies located in the superficial tissues and the use of antiseptics and local topical anesthetics in connection with such methods.

Subd. 9. **Naturopathic licensing examination.** "Naturopathic licensing examination" means the Naturopathic Physicians Licensing Examination or its successor administered by the North American Board of Naturopathic Examiners or its successor as recognized by the board.

Subd. 10. **Naturopathic medicine.** "Naturopathic medicine" means a system of primary health care for the prevention, assessment, and treatment of human health conditions, injuries, and diseases that uses:

(1) services and treatments as described in section 147E.05; and

(2) natural health procedures and treatments in section 146A.01, subdivision 4.

Subd. 11. **Naturopathic physical medicine.** "Naturopathic physical medicine" includes, but is not limited to, the therapeutic use of the physical agents of air, water, heat, cold, sound, light, and electromagnetic nonionizing radiation and the physical modalities of electrotherapy, diathermy, ultraviolet light, hydrotherapy, massage, stretching, colon hydrotherapy, frequency specific microcurrent, electrical muscle stimulation, transcutaneous electrical nerve stimulation, and therapeutic exercise.

Sec. 2. **[147E.05] SCOPE OF PRACTICE.**

Subdivision 1. **Practice parameters.** (a) The practice of naturopathic medicine includes, but is not limited to, the following services:

(1) ordering, administering, prescribing, or dispensing for preventive and therapeutic purposes: food, extracts of food, nutraceuticals, vitamins, minerals, amino acids, enzymes, botanicals and their extracts, botanical medicines, herbal remedies, homeopathic medicines, all dietary supplements and nonprescription drugs as defined by the federal Food, Drug, and Cosmetic Act, glandulars, protomorphogens, lifestyle counseling, hypnotherapy, biofeedback, dietary therapy, electrotherapy, galvanic therapy, naturopathic physical medicine, oxygen, therapeutic devices, barrier devices for contraception, and minor office procedures, including obtaining specimens to assess and treat disease;

(2) performing or ordering physical and orificial examinations and physiological function tests;

(3) ordering clinical laboratory tests and examinations;

(4) referring a patient for diagnostic imaging studies including x-ray, CT scan, MRI, ultrasound, mammogram, bone densitometry, and referring the studies to an appropriately licensed health care professional to conduct the study and interpret the results;

(5) prescribing nonprescription medications and therapeutic devices or ordering noninvasive diagnostic procedures commonly used by physicians in general practice; and

(6) prescribing or performing naturopathic physical medicine.

(b) A registered naturopathic doctor may admit patients to a hospital if the naturopathic doctor meets the hospital's governing body requirements regarding credentialing and privileging process.

Subd. 2. **Prohibitions on practice.** (a) The practice of naturopathic medicine does not include:

(1) administering therapeutic ionizing radiation or radioactive substances;

(2) administering general or spinal anesthesia;

(3) prescribing, dispensing, or administering legend drugs or controlled substances including chemotherapeutic substances; or

(4) performing or inducing abortions.

(b) A naturopathic doctor registered under this chapter shall not perform surgical procedures using a laser device or perform surgical procedures beyond superficial tissue.

(c) A naturopathic doctor shall not practice or claim to practice as a medical doctor, surgeon, osteopath, dentist, podiatrist, optometrist, psychologist, advanced practice professional nurse, physician assistant, chiropractor, physical therapist, acupuncturist, dietician, nutritionist, or any other health care professional, unless the naturopathic physician also holds the appropriate license or registration for the health care practice profession.

Sec. 3. [147E.06] PROFESSIONAL CONDUCT.

Subdivision 1. **Informed consent.** (a) The registered naturopathic doctor shall obtain a signed informed consent from the patient prior to initiating treatment and after advising the patient of the naturopathic doctor's qualifications including education and registration information; and outlining of the scope of practice of registered naturopathic doctors in Minnesota. This information must be supplied to the patient in writing before or at the time of the initial visit. The registrant shall present treatment facts and options accurately to the patient or to the individual responsible for the patient's care and make treatment recommendations according to standards of good naturopathic medical practice.

(b) Upon request, the registered naturopathic doctor must provide a copy of the informed consent form to the board.

Subd. 2. **Patient records.** (a) A registered naturopathic doctor shall maintain a record for seven years for each patient treated, including:

(1) a copy of the informed consent;

(2) evidence of a patient interview concerning the patient's medical history and current physical condition;

(3) evidence of an examination and assessment;

(4) record of the treatment provided to the patient; and

(5) evidence of evaluation and instructions given to the patient, including acknowledgment by the patient in writing that, if deemed necessary by the registered naturopathic doctor, the patient has been advised to consult with another health care provider.

(b) A registered naturopathic doctor shall maintain the records of minor patients for seven years or until the minor's 19th birthday, whichever is longer.

Subd. 3. **Data practices.** Data maintained on a naturopathic patient by a registered naturopathic doctor is subject to sections 144.291 to 144.298.

Subd. 4. **State and municipal public health regulations.** A registered naturopathic doctor shall comply with all applicable state and municipal requirements regarding public health.

Sec. 4. **[147E.10] PROTECTED TITLES.**

Subdivision 1. **Designation.** (a) No individual may use the title "registered naturopathic doctor," "naturopathic doctor," "doctor of naturopathic medicine," or use, in connection with the individual's name, the letters "N.D.," "R.N.D.," or "N.M.D.," or any other titles, words, letters, abbreviations, or insignia indicating or implying that the individual is eligible for registration by the state as a registered naturopath or a registered naturopathic doctor unless the individual has been registered as a registered naturopathic doctor according to this chapter.

(b) After July 1, 2008, individuals who are registered under this chapter and who represent themselves as practicing naturopathic medicine by use of a term in paragraph (a) shall conspicuously display the registration in the place of practice.

Subd. 2. **Other health care practitioners.** Nothing in this chapter may be construed to prohibit or to restrict:

(1) the practice of a profession by individuals who are licensed, certified, or registered under other laws of this state and are performing services within their authorized scope of practice;

(2) the provision of the complementary and alternative healing methods and treatments, including naturopathy, as described in chapter 146A;

(3) the practice of naturopathic medicine by an individual licensed, registered, or certified in another state and employed by the government of the United States while the individual is engaged in the performance of duties prescribed by the laws and regulations of the United States;

(4) the practice by a naturopathic doctor duly licensed, registered, or certified in another state, territory, or the District of Columbia when incidentally called into this state for consultation with a Minnesota licensed physician or Minnesota registered naturopathic doctor; or

(5) individuals not registered by this chapter from the use of individual modalities which comprise the practice of naturopathic medicine.

Subd. 3. **Penalty.** A person violating subdivision 2 is guilty of a gross misdemeanor.

Sec. 5. **[147E.15] REGISTRATION REQUIREMENTS.**

Subdivision 1. **General requirements for registration.** To be eligible for registration, an applicant must:

(1) submit a completed application on forms provided by the board along with all fees required under section 147E.40 that includes:

(i) the applicant's name, Social Security number, home address and telephone number, and business address and telephone number;

(ii) the name and location of the naturopathic medical program the applicant completed;

(iii) a list of degrees received from other educational institutions;

(iv) a description of the applicant's professional training;

(v) a list of registrations, certifications, and licenses held in other jurisdictions;

(vi) a description of any other jurisdiction's refusal to credential the applicant;

(vii) a description of all professional disciplinary actions initiated against the applicant in any jurisdiction; and

(viii) any history of drug or alcohol abuse, and any misdemeanor or felony conviction;

(2) submit a copy of a diploma from an approved naturopathic medical education program;

(3) have successfully passed the Naturopathic Physicians Licensing Examination, a competency-based national naturopathic licensing examination administered by the North American Board of Naturopathic Examiners or successor agency as recognized by the board; passing scores are determined by the Naturopathic Physicians Licensing Examination;

(4) submit additional information as requested by the board, including providing any additional information necessary to ensure that the applicant is able to practice with reasonable skill and safety to the public;

(5) sign a statement that the information in the application is true and correct to the best of the applicant's knowledge and belief; and

(6) sign a waiver authorizing the board to obtain access to the applicant's records in this or any other state in which the applicant has completed an approved naturopathic medical program or engaged in the practice of naturopathic medicine.

Subd. 2. Registration by endorsement; reciprocity. (a) To be eligible for registration by endorsement or reciprocity, the applicant must hold a current naturopathic license, registration, or certification in another state, Canadian province, the District of Columbia, or territory of the United States, whose standards for licensure, registration, or certification are at least equivalent to those of Minnesota, and must:

(1) submit the application materials and fees as required by subdivision 1, clauses (1), (2), and (4) to (6);

(2) have successfully passed either:

(i) the Naturopathic Physicians Licensing Examination; or

(ii) if prior to 1986, the state or provincial naturopathic board licensing examination required by that regulating state or province;

(3) provide a verified copy from the appropriate government body of a current license, registration, or certification for the practice of naturopathic medicine in another jurisdiction that has initial licensing, registration, or certification requirements equivalent to or higher than the requirements in subdivision 1; and

(4) provide letters of verification from the appropriate government body in each jurisdiction in which the applicant holds a license, registration, or certification. Each letter must state the applicant's name, date of birth, license, registration, or certification number, date of issuance, a statement regarding disciplinary actions, if any, taken against the applicant, and the terms under which the license, registration, or certification was issued.

(b) An applicant applying for license, registration, or certification by endorsement must be licensed, registered, or certified in another state or Canadian province prior to January 1, 2005, and have completed a 60-hour course and examination in pharmacotherapeutics.

Subd. 3. **Temporary registration.** The board may issue a temporary registration to practice as a registered naturopathic doctor to an applicant who is licensed, registered, or certified in another state or Canadian province and is eligible for registration under this section, if the application for registration is complete, all applicable requirements in this section have been met, and a nonrefundable fee has been paid. The temporary registration remains valid only until the meeting of the board at which time a decision is made on the registered naturopathic doctor's application for registration.

Subd. 4. **Registration expiration.** Registrations issued under this chapter expire annually.

Subd. 5. **Renewal.** (a) To be eligible for registration renewal a registrant must:

(1) annually, or as determined by the board, complete a renewal application on a form provided by the board;

(2) submit the renewal fee;

(3) provide evidence of a total of 25 hours of continuing education approved by the board as described in section 147E.25; and

(4) submit any additional information requested by the board to clarify information presented in the renewal application. The information must be submitted within 30 days after the board's request, or the renewal request is nullified.

Subd. 6. **Change of address.** A registrant who changes addresses must inform the board within 30 days, in writing, of the change of address. All notices or other correspondence mailed to or served on a registrant by the board are considered as having been received by the registrant.

Subd. 7. **Registration renewal notice.** At least 45 days before the registration renewal date, the board shall send out a renewal notice to the last known address of the registrant on file. The notice must include a renewal application and a notice of fees required for renewal or instructions for online renewal. It must also inform the registrant that registration will expire without further action by the board if an application for registration renewal is not received before the deadline for renewal. The registrant's failure to receive this notice does not relieve the registrant of the obligation to meet the deadline and other requirements for registration renewal. Failure to receive this notice is not grounds for challenging expiration of registration status.

Subd. 8. **Renewal deadline.** The renewal application and fee must be postmarked on or before December 31 of the year of renewal. If the postmark is illegible, the application is considered timely if received by the third working day after the deadline.

Subd. 9. **Inactive status and return to active status.** (a) A registrant may be placed in inactive status upon application to the board by the registrant and upon payment of an inactive status fee.

(b) Registrants seeking restoration to active from inactive status must pay the current renewal fees and all unpaid back inactive fees. They must meet the criteria for renewal specified in subdivision 5, including continuing education hours.

(c) Registrants whose inactive status period has been five years or longer must additionally have a period of no less than eight weeks of advisory council-approved supervision by another registered naturopathic doctor.

Subd. 10. **Registration following lapse of registration status for two years or less.** For any individual whose registration status has lapsed for two years or less, to regain registration status, the individual must:

(1) apply for registration renewal according to subdivision 5;

(2) document compliance with the continuing education requirements of section 147E.25 since the registrant's initial registration or last renewal; and

(3) submit the fees required under section 147E.40 for the period not registered, including the fee for late renewal.

Subd. 11. **Cancellation due to nonrenewal.** The board shall not renew, reissue, reinstate, or restore a registration that has lapsed and has not been renewed within two annual registration renewal cycles starting January 2009. A registrant whose registration is canceled for nonrenewal must obtain a new registration by applying for registration and fulfilling all requirements then in existence for initial registration as a registered naturopathic doctor.

Subd. 12. **Cancellation of registration in good standing.** (a) A registrant holding an active registration as a registered naturopathic doctor in the state may, upon approval of the board, be granted registration cancellation if the board is not investigating the person as a result of a complaint or information received or if the board has not begun disciplinary proceedings against the registrant. Such action by the board must be reported as a cancellation of registration in good standing.

(b) A registrant who receives board approval for registration cancellation is not entitled to a refund of any registration fees paid for the registration year in which cancellation of the registration occurred.

(c) To obtain registration after cancellation, a registrant must obtain a new registration by applying for registration and fulfilling the requirements then in existence for obtaining initial registration as a registered naturopathic doctor.

Subd. 13. **Emeritus status of registration.** A registrant may change the status of the registration to "emeritus" by filing the appropriate forms and paying the onetime fee of \$50 to the board. This status allows the registrant to retain the title of registered naturopathic doctor but restricts the registrant from actively seeing patients.

Sec. 6. [147E.20] BOARD ACTION ON APPLICATIONS FOR REGISTRATION.

(a) The board shall act on each application for registration according to paragraphs (b) to (d).

(b) The board shall determine if the applicant meets the requirements for registration under section 147E.15. The board or advisory council may investigate information provided by an applicant to determine whether the information is accurate and complete.

(c) The board shall notify each applicant in writing of action taken on the application, the grounds for denying registration if registration is denied, and the applicant's right to review under paragraph (d).

(d) Applicants denied registration may make a written request to the board, within 30 days of the board's notice, to appear before the advisory council or the board and for the advisory council to review the board's decision to deny the applicant's registration. After reviewing the denial, the advisory council shall make a recommendation to the board as to whether the denial shall be affirmed. Each applicant is allowed only one request for review each yearly registration period.

Sec. 7. **[147E.25] CONTINUING EDUCATION REQUIREMENT.**

Subdivision 1. Number of required contact hours. (a) A registrant applying for registration renewal must complete a minimum of 25 contact hours of board-approved continuing education in the year preceding registration renewal, with the exception of the registrant's first incomplete year, and attest to completion of continuing education requirements by reporting to the board.

(b) Of the 25 contact hours of continuing education requirement in paragraph (a), at least five hours of continuing education must be in pharmacotherapeutics.

Subd. 2. Approved programs. The board shall approve continuing education programs that have been approved for continuing education credit by the American Association of Naturopathic Physicians or any of its constituent state associations, the American Chiropractic Association or any of its constituent state associations, the American Osteopathic Association Bureau of Professional Education, the American Pharmacists Association or any of its constituent state associations, or an organization approved by the Accreditation Council for Continuing Medical Education.

Subd. 3. Approval of continuing education programs. The board shall also approve continuing education programs that do not meet the requirements of subdivision 2 but meet the following criteria:

(1) the program content directly relates to the practice of naturopathic medicine;

(2) each member of the program faculty is knowledgeable in the subject matter as demonstrated by a degree from an accredited education program, verifiable experience in the field of naturopathic medicine, special training in the subject matter, or experience teaching in the subject area;

(3) the program lasts at least 50 minutes per contact hour;

(4) there are specific, measurable, written objectives, consistent with the program, describing the expected outcomes for the participants; and

(5) the program sponsor has a mechanism to verify participation and maintains attendance records for three years.

Subd. 4. Accumulation of contact hours. A registrant may not apply contact hours acquired in one one-year reporting period to a future continuing education reporting period.

Subd. 5. Verification of continuing education credits. The board shall periodically select a random sample of registrants and require those registrants to supply the board with evidence of having completed the continuing education to which they attested. Documentation may come directly from the registrants from state or national organizations that maintain continuing education records.

Subd. 6. Continuing education topics. Continuing education program topics may include, but are not limited to, naturopathic medical theory and techniques including diagnostic techniques, nutrition, botanical medicine, homeopathic medicine, physical medicine, lifestyle modification counseling, anatomy, physiology, biochemistry, pharmacology, pharmacognosy, microbiology, medical ethics, psychology, history of medicine, and medical terminology or coding.

Subd. 7. Restriction on continuing education topics. (a) A registrant may apply no more than five hours of practice management to a one-year reporting period.

(b) A registrant may apply no more than 15 hours to any single subject area.

Subd. 8. **Continuing education exemptions.** The board may exempt any person holding a registration under this chapter from the requirements of subdivision 1 upon application showing evidence satisfactory to the board of inability to comply with the requirements because of physical or mental condition or because of other unusual or extenuating circumstances. However, no person may be exempted from the requirements of subdivision 1 more than once in any five-year period.

Sec. 8. **[147E.30] DISCIPLINE; REPORTING.**

For purposes of this chapter, registered naturopathic doctors and applicants are subject to sections 147.091 to 147.162.

Sec. 9. **[147E.35] REGISTERED NATUROPATHIC DOCTOR ADVISORY COUNCIL.**

Subdivision 1. **Membership.** The board shall appoint a seven-member Registered Naturopathic Doctor Advisory Council appointed by the governor consisting of one public member as defined in section 214.02, five registered naturopathic doctors who are residents of the state, and one licensed physician or osteopath with expertise in natural medicine.

Subd. 2. **Organization.** The advisory council shall be organized and administered under section 15.059. The council shall not expire.

Subd. 3. **Duties.** The advisory council shall:

- (1) advise the board regarding standards for registered naturopathic doctors;
- (2) provide for distribution of information regarding registered naturopathic doctors standards;
- (3) advise the board on enforcement of sections 147.091 to 147.162;
- (4) review applications and recommend granting or denying registration or registration renewal;
- (5) advise the board on issues related to receiving and investigating complaints, conducting hearings, and imposing disciplinary action in relation to complaints against registered naturopathic doctors;
- (6) advise the board regarding approval of continuing education programs using the criteria in section 147E.25, subdivision 3; and
- (7) perform other duties authorized for advisory councils by chapter 214, as directed by the board.

Sec. 10. **[147E.40] FEES.**

Subdivision 1. **Fees.** Fees are as follows:

- (1) registration application fee, \$200;
- (2) renewal fee, \$150;
- (3) late fee, \$75;

(4) inactive status fee, \$50; and

(5) temporary permit fee, \$25.

Subd. 2. **Proration of fees.** The board may prorate the initial annual registration fee. All registrants are required to pay the full fee upon registration renewal.

Subd. 3. **Penalty fee for late renewals.** An application for registration renewal submitted after the deadline must be accompanied by a late fee in addition to the required fees.

Subd. 4. **Nonrefundable fees.** All of the fees in subdivision 1 are nonrefundable.

Sec. 11. **APPROPRIATIONS.**

\$13,000 in fiscal year 2009, \$17,000 in fiscal year 2010, and \$19,000 in fiscal year 2011 are appropriated from the state government special revenue fund to the Board of Medical Practice for the registration of naturopathic doctors under Minnesota Statutes, chapter 147E.

Sec. 12. **EFFECTIVE DATE.**

Sections 1 to 11 are effective July 1, 2008."

Delete the title and insert:

"A bill for an act relating to occupations and professions; providing for registration of naturopathic doctors; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 147E."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Ways and Means.

The report was adopted.

Lenczewski from the Committee on Taxes to which was referred:

H. F. No. 3032, A bill for an act relating to state lands; modifying Minnesota critical habitat private sector matching account; modifying outdoor recreation system; adding to and deleting from state parks, recreation areas, and forests; modifying authority to convey private easements on tax-forfeited land; providing for public and private sales, conveyances, and exchanges of certain state land; authorizing 30-year leases of tax-forfeited and other state lands for wind energy projects; amending Minnesota Statutes 2006, sections 84.943, subdivision 5; 86A.04; 86A.08, subdivision 1; 282.04, subdivision 4a; Laws 2006, chapter 236, article 1, section 43.

Reported the same back with the following amendments:

Page 1, after line 25, insert:

"Sec. 2. **[84B.062] ENFORCEMENT OF FEDERAL LAWS.**

A state employee shall not enforce federal laws pertaining to the use of all-terrain vehicles, snowmobiles, or aircraft in the navigable waters within Voyageurs National Park under the state's jurisdiction as described in section 84B.061."

Page 3, after line 9, insert:

"Sec. 5. Minnesota Statutes 2006, section 90.151, subdivision 1, is amended to read:

Subdivision 1. **Issuance; expiration.** (a) Following receipt of the down payment for state timber required under section 90.14 or 90.191, the commissioner shall issue a numbered permit to the purchaser, in a form approved by the attorney general, by the terms of which the purchaser shall be authorized to enter upon the land, and to cut and remove the timber therein described as designated for cutting in the report of the state appraiser, according to the provisions of this chapter. The permit shall be correctly dated and executed by the commissioner and signed by the purchaser. If a permit is not signed by the purchaser within 60 days from the date of purchase, the permit cancels and the down payment for timber required under section 90.14 forfeits to the state. The commissioner may grant an additional period for the purchaser to sign the permit, not to exceed five business days, provided the purchaser pays a \$125 penalty fee.

(b) The permit shall expire no later than five years after the date of sale as the commissioner shall specify or as specified under section 90.191, and the timber shall be cut within the time specified therein. All cut timber, equipment, and buildings not removed from the land within 90 days after expiration of the permit shall become the property of the state.

(c) The commissioner may grant an additional period of time not to exceed 120 days for the removal of cut timber, equipment, and buildings upon receipt of such request by the permit holder for good and sufficient reasons. The commissioner may grant a second period of time not to exceed 120 days for the removal of cut timber, equipment, and buildings upon receipt of a request by the permit holder for hardship reasons only.

EFFECTIVE DATE. This section is effective the day following final enactment and applies retroactively to permits dated January 1, 2008, and thereafter."

Page 37, line 24, delete "53" and insert "55"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the first semicolon, insert "modifying certain enforcement authority; modifying timber permit provisions;"

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Ways and Means.

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 3345, A bill for an act relating to economic development; allowing Explore Minnesota Tourism to provide a grant to the Minnesota Film and TV Board; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 116U.26, is amended to read:

116U.26 FILM JOBS PRODUCTION PROGRAM.

(a) The film production jobs program is created. The program shall be operated by the Minnesota Film and TV Board with administrative oversight and control by the director of Explore Minnesota Tourism. The program shall make payment to producers of feature films, national television programs, documentaries, music videos, and commercials that directly create new film jobs in Minnesota. To be eligible for a payment, a producer must submit documentation to the Minnesota Film and TV Board of expenditures for production costs incurred in Minnesota that are directly attributable to the production in Minnesota of a film product.

The Minnesota Film and TV Board shall make recommendations to the director of Explore Minnesota Tourism about program payment, but the director has the authority to make the final determination on payments. The director's determination must be based on proper documentation of eligible production costs submitted for payments. No more than five percent of the funds appropriated for the program in any year may be expended for administration.

(b) For the purposes of this section:

(1) "production costs" means the cost of the following:

(i) a story and scenario to be used for a film;

(ii) salaries of talent, management, and labor, including payments to personal services corporations for the services of a performing artist;

(iii) set construction and operations, wardrobe, accessories, and related services;

(iv) photography, sound synchronization, lighting, and related services;

(v) editing and related services;

(vi) rental of facilities and equipment; or

(vii) other direct costs of producing the film in accordance with generally accepted entertainment industry practice; and

(2) "film" means a movie, television show, documentary, music video, or television commercial, whether on film or video. Film does not include news, current events, public programming, or a program that includes weather or market reports; a talk show; a production with respect to a questionnaire or contest; a sports event or sports activity; a gala presentation or awards show; a finished production that solicits funds; or a production for which the production company is required under United States Code, title 18, section 2257, to maintain records with respect to a performer portrayed in a single-media or multimedia program.

(c) Notwithstanding any other law to the contrary, the Minnesota Film and TV Board may make reimbursements of up to 20 percent of film production costs for films that incur production costs in excess of \$5,000,000 in Minnesota within a 12-month period.

EFFECTIVE DATE. This section is effective for films that begin filming on or after the day following final enactment.

Sec. 2. **MINNESOTA FILM AND TV BOARD GRANT.**

\$500,000 is appropriated from the special marketing account established pursuant to Laws 2005, First Special Session chapter 1, article 3, section 6, to the director of Explore Minnesota Tourism for a onetime grant to the Minnesota Film and TV Board for the filming of a movie in Minnesota in 2008 and 2009. The grant is in addition to any payments made for the same purpose from the film production jobs program under Minnesota Statutes, section 116U.26. This appropriation is available until expended.

EFFECTIVE DATE. This section is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to economic development; allowing Explore Minnesota Tourism to provide a grant to the Minnesota Film and TV Board; allowing film production costs reimbursements; appropriating money; amending Minnesota Statutes 2006, section 116U.26."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Ways and Means.

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 3494, A bill for an act relating to employment; providing up to three hours of paid leave in any 12-month period for state employees to donate blood; authorizing employers to provide leave to employees to donate blood; proposing coding for new law in Minnesota Statutes, chapters 43A; 181.

Reported the same back with the following amendments:

Page 1, delete section 1 and insert:

"Section 1. **[43A.187] BLOOD DONATION LEAVE.**

A state employee must be granted leave from work with 100 percent of pay to donate blood at a location away from the place of work. The total amount of leave used under this section may not exceed three hours in a 12-month period, and must be determined by the employee. A state employee seeking leave from work under this section must provide 14 days notice to the appointing authority. This leave must not affect the employee's vacation leave, pension, compensatory time, personal vacation days, sick leave, earned overtime accumulation, or cause a loss of seniority. For the purposes of this section, "state employee" does not include an employee of the Minnesota State Colleges and Universities."

With the recommendation that when so amended the bill pass.

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 3539, A bill for an act relating to health; providing an exception to hospital construction moratorium; amending Minnesota Statutes 2006, section 144.551, subdivision 1.

Reported the same back with the following amendments:

Page 5, delete lines 4 to 9 and insert:

"(24) a project for construction of a specialty psychiatric hospital in the city of Woodbury for up to 66 beds, exclusively for patients who are under 21 years of age on the date of admission, provided the hospital shall be subject to the Federal Emergency Medical Treatment and Active Labor Act and Centers for Medicaid and Medicare certification including, but not limited to:

(i) accepting emergency transfers and admissions 24 hours a day, 365 days a year;

(ii) having physicians on site or on call and able to respond on site 24 hours a day;

(iii) providing emergency medical treatment regardless of ability to pay; and

(iv) establishing a transfer agreement with a general hospital for services not available at the facility."

With the recommendation that when so amended the bill pass.

The report was adopted.

Lenczewski from the Committee on Taxes to which was referred:

H. F. No. 3547, A bill for an act relating to natural resources; modifying aquatic farm and invasive species provisions; authorizing certain fees; modifying horse pass requirements; modifying report requirements for game and fish fund; providing for wildlife disease management; modifying disposition of pheasant habitat improvement account; modifying wild turkey management account; modifying hunting and fishing licensing and taking provisions; requiring reports; providing for rulemaking; appropriating money; amending Minnesota Statutes 2006, sections 17.4981; 84.027, subdivision 15; 84D.10, subdivision 2; 84D.13, subdivision 4; 85.46, subdivision 1; 97A.015, by adding a subdivision; 97A.045, subdivision 11; 97A.055, subdivision 4b; 97A.075, subdivisions 4, 5; 97A.311, subdivision 5; 97A.431, subdivision 2; 97A.433, subdivision 2; 97A.434, subdivision 2; 97A.435, subdivision 4; 97A.451, subdivision 4, by adding a subdivision; 97A.475, subdivision 5; 97A.485, subdivision 6; 97A.535, subdivision 1; 97B.015, subdivision 5; 97B.041; 97B.106, subdivision 1; 97B.211, subdivision 1; 97B.301, subdivision 6, by adding a subdivision; 97B.405; 97B.431; 97B.621, subdivision 3; 97B.711, subdivision 1; 97B.721; 97C.001, subdivision 3; 97C.005, subdivision 3; 97C.205; 97C.315, subdivision 1; 97C.355, subdivisions 4, 7, 7a; 97C.371, subdivision 4, by adding a subdivision; 97C.395, subdivision 1; 97C.865, subdivision 2; Minnesota Statutes 2007 Supplement, sections 17.4984, subdivision 1; 97A.055, subdivision 4; 97A.405, subdivision 2; 97A.441, subdivision 7; 97A.451, subdivision 3; 97A.475, subdivisions 2, 3, 7, 11, 12, 16; 97B.031, subdivision 1; 97B.035, subdivision 1a; 97B.036; 97B.328; 97C.355, subdivisions 2, 8; proposing coding for new law in Minnesota Statutes, chapter 97C; repealing Minnesota Statutes 2006, section 97A.411, subdivision 2; Minnesota Rules, parts 6232.0200, subpart 4; 6232.0300, subpart 4; 6234.0100, subpart 4.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Ways and Means.

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 3873, A bill for an act relating to human services; prohibiting the release of the names of certain potential enrollees to health plans for marketing purposes; amending Minnesota Statutes 2006, section 256B.69, subdivision 28.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 3969, A bill for an act relating to state government; authorizing the secretary of state to transfer funds.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Laws 2007, chapter 148, article 1, section 7, is amended to read:

Sec. 7. SECRETARY OF STATE		\$9,019,000	\$6,497,000
	Appropriations by Fund		
	2008	2009	
General	6,175,000	6,497,000	
Special Revenue	2,844,000		

(a) \$310,000 of this appropriation must be transferred to the Help America Vote Act account and is designated as a portion of the match required by section 253(b)(5) of the Help America Vote Act.

(b) \$2,844,000 the first year is appropriated from the Help America Vote Act account for the purposes and uses authorized by federal law. This appropriation is available until June 30, 2009.

(c) Notwithstanding Laws 2005, chapter 162, section 34, subdivision 7, any balance remaining in the Help America Vote Act account after previous appropriations and the appropriations in this section is appropriated to the secretary of state for the purposes of the account. This appropriation is available until June 30, 2011.

(d) The amount necessary to meet federal requirements for interest payments and the additional match for the Help America Vote Act account is transferred from the general fund appropriation to the Help America Vote Act account.

EFFECTIVE DATE. This section is effective the day following final enactment."

Correct the title numbers accordingly

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Ways and Means.

The report was adopted.

Carlson from the Committee on Finance to which was referred:

H. F. No. 4014, A bill for an act relating to Steele County; authorizing transfer of nursing home and assisted living facility and related assets to nonprofit corporation and acquisition of membership interest in nonprofit corporation.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 144A.071, subdivision 4c, is amended to read:

Subd. 4c. **Exceptions for replacement beds after June 30, 2003.** (a) The commissioner of health, in coordination with the commissioner of human services, may approve the renovation, replacement, upgrading, or relocation of a nursing home or boarding care home, under the following conditions:

(1) to license and certify an 80-bed city-owned facility in Nicollet County to be constructed on the site of a new city-owned hospital to replace an existing 85-bed facility attached to a hospital that is also being replaced. The threshold allowed for this project under section 144A.073 shall be the maximum amount available to pay the additional medical assistance costs of the new facility;

(2) to license and certify 29 beds to be added to an existing 69-bed facility in St. Louis County, provided that the 29 beds must be transferred from active or layaway status at an existing facility in St. Louis County that had 235 beds on April 1, 2003.

The licensed capacity at the 235-bed facility must be reduced to 206 beds, but the payment rate at that facility shall not be adjusted as a result of this transfer. The operating payment rate of the facility adding beds after completion of this project shall be the same as it was on the day prior to the day the beds are licensed and certified. This project shall not proceed unless it is approved and financed under the provisions of section 144A.073;

(3) to license and certify a new 60-bed facility in Austin, provided that: (i) 45 of the new beds are transferred from a 45-bed facility in Austin under common ownership that is closed and 15 of the new beds are transferred from a 182-bed facility in Albert Lea under common ownership; (ii) the commissioner of human services is authorized by the 2004 legislature to negotiate budget-neutral planned nursing facility closures; and (iii) money is available from planned closures of facilities under common ownership to make implementation of this clause budget-neutral to the

state. The bed capacity of the Albert Lea facility shall be reduced to 167 beds following the transfer. Of the 60 beds at the new facility, 20 beds shall be used for a special care unit for persons with Alzheimer's disease or related dementias; ~~and~~

(4) to license and certify up to 80 beds transferred from an existing state-owned nursing facility in Cass County to a new facility located on the grounds of the Ah-Gwah-Ching campus. The operating cost payment rates for the new facility shall be determined based on the interim and settle-up payment provisions of Minnesota Rules, part 9549.0057, and the reimbursement provisions of section 256B.431. The property payment rate for the first three years of operation shall be \$35 per day. For subsequent years, the property payment rate of \$35 per day shall be adjusted for inflation as provided in section 256B.434, subdivision 4, paragraph (c), as long as the facility has a contract under section 256B.434; ~~and~~

(5) to initiate a pilot program to license and certify up to 80 beds transferred from an existing county-owned nursing facility in Steele County relocated to the site of a new acute care facility as part of the county's Communities for a Lifetime comprehensive plan to create innovative responses to the aging of its population. Upon relocation to the new site, the nursing facility shall delicense 28 beds. The property payment rate for the first three years of operation of the new facility shall be increased by an amount as calculated according to items (i) to (v):

(i) compute the estimated decrease in medical assistance residents served by the nursing facility by multiplying the decrease in licensed beds by the historical percentage of medical assistance resident days;

(ii) compute the annual savings to the medical assistance program from the delicensure of 28 beds by multiplying the anticipated decrease in medical assistance residents, determined in item (i), by the existing facility's weighted average payment rate multiplied by 365;

(iii) compute the anticipated annual costs for community-based services by multiplying the anticipated decrease in medical assistance residents served by the nursing facility, determined in item (i), by the average monthly elderly waiver service costs for individuals in Steele County multiplied by 12;

(iv) subtract the amount in item (iii) from the amount in item (ii);

(v) divide the amount in item (iv) by an amount equal to the relocated nursing facility's occupancy factor under section 256B.431, subdivision 3f, paragraph (c), multiplied by the historical percentage of medical assistance resident days.

For subsequent years, the adjusted property payment rate shall be adjusted for inflation as provided in section 256B.434, subdivision 4, paragraph (c), as long as the facility has a contract under section 256B.434.

(b) Projects approved under this subdivision shall be treated in a manner equivalent to projects approved under subdivision 4a.

Sec. 2. **STEELE COUNTY ASSET TRANSFER; STATUS OF TRANSFEREE.**

Subdivision 1. **Asset transfer authorized.** Steele County may lease, sell, or otherwise transfer to a nonprofit corporation all of the real and personal property, tangible and intangible, including contract rights, receivables, and enterprise funds, owned or used by the county for nursing home, assisted living, and related purposes and may acquire a membership interest in the nonprofit corporation. Any lease must provide for rent payable by the corporation at least sufficient to pay the principal and interest on the outstanding bonds of the county issued to finance any of the facilities. The lease may grant the corporation an option or require the corporation to purchase the facilities upon payment or redemption of the outstanding bonds. Any lease, sale, or other transfer must be on terms and conditions approved by the county board, without advertisement or public solicitation of bids.

Subd. 2. **Status of transferee.** The articles of incorporation or bylaws of the transferee corporation may provide that the county board has the right to appoint and remove one or more members of the governing board of the corporation and that specified actions be subject to the approval of the members. The corporation shall be a nonprofit corporation organized under Minnesota Statutes, chapter 317A, and entitled to exercise all of the powers of a nonprofit corporation under that chapter. If the county board does not have the right to appoint a majority of the governing board of the nonprofit corporation, neither Minnesota Statutes, section 465.717, nor other laws applicable to public corporations shall apply to the nonprofit corporation.

Subd. 3. **Open meeting law; data practices.** A nonprofit corporation created under this section is subject to the Minnesota Open Meeting Law and Minnesota Government Data Practices Act.

EFFECTIVE DATE; LOCAL APPROVAL. This section is effective the day after the governing body of Steele County and its chief clerical officer timely complete compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3."

Delete the title and insert:

"A bill for an act relating to Steele County; authorizing transfer of nursing home and assisted living facility and related assets to nonprofit corporation and acquisition of membership interest in nonprofit corporation; providing an exception to the moratorium on new nursing home beds for beds transferred to a new site within the county; amending Minnesota Statutes 2006, section 144A.071, subdivision 4c."

With the recommendation that when so amended the bill pass.

The report was adopted.

Lenczewski from the Committee on Taxes to which was referred:

H. F. No. 4100, A bill for an act relating to transportation; establishing driver and vehicle services technology account; imposing technology surcharge; adjusting certain fees; amending Minnesota Statutes 2006, sections 168.013, by adding a subdivision; 168A.29, as amended; 299A.705, by adding a subdivision; Minnesota Statutes 2007 Supplement, section 171.06, subdivision 2.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Ways and Means.

The report was adopted.

SECOND READING OF HOUSE BILLS

H. F. Nos. 3494, 3539, 3873 and 4014 were read for the second time.

INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Hornstein; Hausman; Anzelc; Laine; Murphy, E.; Slocum; Mariani; Johnson; Wagenius; Greiling; Kahn; Clark; Loeffler; Bly; Hansen; Davnie; Swails; Tschumper and Paymar introduced:

H. F. No. 4213, A bill for an act relating to nuclear waste; prohibiting issuance of a certificate of need to expand nuclear waste storage at Prairie Island; amending Minnesota Statutes 2006, section 216B.243, by adding a subdivision.

The bill was read for the first time and referred to the Energy Finance and Policy Division.

Loeffler, Hosch and Murphy, E., introduced:

H. F. No. 4214, A bill for an act relating to human services; increasing the medical assistance asset limit for elderly individuals who own and occupy a homestead; amending Minnesota Statutes 2006, section 256B.056, subdivision 3.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Peppin; Otremba; Fritz; Garofalo; Draskowski; Anderson, B.; Wardlow; Gunther; Emmer; Buesgens; Dettmer and Dean introduced:

H. F. No. 4215, A bill for an act relating to abortions; regulating retention and composition of medical records; proposing coding for new law in Minnesota Statutes, chapter 145.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Bigham and Hilstrom introduced:

H. F. No. 4216, A bill for an act relating to public safety; requiring that uniform traffic ticket contain notice of the criminal and traffic surcharge; amending Minnesota Statutes 2006, section 169.99, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Public Safety and Civil Justice.

Mariani, Norton, Lieder, Haws, Swails, Wollschlager, Tillberry, Bigham and Knuth introduced:

H. F. No. 4217, A bill for an act relating to education finance; modifying the school finance system; creating a new education funding framework; amending Minnesota Statutes 2006, sections 123B.53, subdivision 5; 123B.57, subdivision 4; 123B.59, subdivision 1; 123B.591, subdivisions 2, 3; 124D.59, subdivision 2; 124D.65, subdivision 5; 125A.79, subdivision 7; 126C.01, by adding subdivisions; 126C.05, subdivisions 3, 5, 6, 8, 16, 17; 126C.10, subdivisions 1, 2a, 3, 4, 6, 13, 18, by adding subdivisions; 126C.13, subdivision 5; 126C.17, subdivision 1; 126C.20; 126C.40, subdivision 1; Minnesota Statutes 2007 Supplement, sections 125A.76, subdivision 5; 126C.05, subdivision 1; 126C.10, subdivision 2; 126C.13, subdivision 4; proposing coding for new law in Minnesota Statutes,

chapters 123B; 126C; repealing Minnesota Statutes 2006, sections 126C.10, subdivisions 13a, 13b, 25, 26, 27, 28, 29, 30, 31, 31a, 31b, 32, 33, 35, 36; 126C.12; 127A.50; Minnesota Statutes 2007 Supplement, sections 123B.54; 125A.76, subdivision 4; 125A.79, subdivision 6; 126C.10, subdivisions 2b, 24, 34; 126C.126.

The bill was read for the first time and referred to the Committee on Finance.

MESSAGES FROM THE SENATE

The following message was received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendments the concurrence of the House is respectfully requested:

H. F. No. 3172, A bill for an act relating to elections; changing certain ballot delivery, election judge, mail election, special election and special primary, school district election, and postelection review procedures; authorizing continued use of certain applications; amending Minnesota Statutes 2006, sections 203B.06, subdivision 3; 203B.11, subdivision 4; 204B.21; 204B.46; 204D.19, subdivision 2; 204D.23, subdivision 2; 204D.27, by adding a subdivision; 205.075, by adding a subdivision; 205A.03, subdivision 1; 205A.06, subdivision 1a; 205A.10, subdivision 2; 205A.12, by adding a subdivision; 206.89, subdivision 5.

COLLEEN J. PACHECO, Second Assistant Secretary of the Senate

Pelowski moved that the House refuse to concur in the Senate amendments to H. F. No. 3172, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

The following Conference Committee Report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 3477

A bill for an act relating to manufactured housing; providing for regulation of lending practices and default; providing notices and remedies; amending Minnesota Statutes 2006, sections 327.64, subdivision 2; 327.65; 327.66; 327B.01, by adding subdivisions; 327B.08, by adding a subdivision; 327B.09, by adding a subdivision; 327B.12; proposing coding for new law in Minnesota Statutes, chapters 327; 327B.

April 23, 2008

The Honorable Margaret Anderson Kelliher
Speaker of the House of Representatives

The Honorable James P. Metzen
President of the Senate

We, the undersigned conferees for H. F. No. 3477 report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 3477 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 2006, section 327.64, subdivision 2, is amended to read:

Subd. 2. **Notice; service.** (a) A secured party may commence repossession of a manufactured home by personally serving upon, or by sending by certified or registered United States mail and concurrently sending a copy of the notice by first class mail to, the occupant of the ~~mobile~~ manufactured home a notice and, if the occupant is not the debtor, by sending a registered or certified letter to the last known address of the debtor under the security agreement, both setting forth the circumstances constituting the default under the security agreement and stating that the secured party will at the expiration of a 30-day period following receipt of the notice seek a court order removing the occupant from the manufactured home and repossessing the manufactured home, unless the debtor or the occupant acting on behalf of the debtor cures the default prior to that time and in the manner provided by section 327.66. If notice is mailed to a debtor in accordance with this subdivision, the secured party by affidavit shall set forth the circumstances causing the secured party to believe that the debtor could be reached at the address to which the notice was mailed. The affidavit shall state that the secured party has no ~~reason to believe~~ reliable information causing the secured party to conclude that the debtor might receive mailed notice at another address.

(b) The notice must state: "Your loan is currently in default. Contact us immediately at [insert phone number] to discuss possible options for preventing repossession. We encourage you to seek assistance from the foreclosure prevention counseling program in your area. Nearby community agencies will answer your questions, offer free advice, and help you create a plan. You can contact the Minnesota Home Ownership Center at (866) 462-6646 or www.hocmn.org to get the phone number and location of the nearest foreclosure prevention organization. Call today. Waiting limits your options. IF YOU DO NOT BECOME CURRENT ON YOUR LOAN WITHIN 30 DAYS, WE WILL SEEK A COURT ORDER REPOSSESSING THE HOME, AND BY COURT ORDER YOU WILL HAVE TO VACATE THE HOME."

(c) If the debtor does not sign for the registered or certified letter containing the notice within seven calendar days of the first attempted delivery, the secured party may proceed with all permissible actions provided in statute as though the debtor's signature has been secured.

Sec. 2. Minnesota Statutes 2006, section 327.65, is amended to read:

327.65 COURT ORDER.

Except in cases of voluntary repossession, upon expiration of the 30-day period specified in the notices required by section 327.64, a secured party must apply to the district court in the county in which the manufactured home is located for an order pursuant to chapter 565 directing the seizure and delivery of the manufactured home. The application shall be accompanied by a copy of the security agreement entitling the secured party to repossession of the manufactured home, a copy of the notices required under sections 327.64 and 327.665, and by the an affidavit required by section 327.64 if notice is mailed to the debtor of service stating that the notices required under sections 327.64 and 327.665 were properly served upon the occupant, and if the occupant of the home is not the debtor, the debtor. The notices required by ~~section~~ sections 327.64 and 327.665 shall not be considered as satisfying any of the notice requirements under chapter 565.

Sec. 3. [327.651] VOLUNTARY REPOSSESSION.

The secured party and the debtor and occupant, if the debtor is not the occupant, may agree in writing on a voluntary surrender of the title and possession of the manufactured home to the secured party prior to or after the end of the 30-day period specified under section 327.64. The secured party may file the agreement and any other documents necessary to transfer the title in the manner required under chapter 336. When this provision is exercised, notice under section 327.64, subdivision 3 is not applicable.

Sec. 4. Minnesota Statutes 2006, section 327.66, is amended to read:

327.66 CURE OF DEFAULT.

A debtor, or an occupant of a manufactured home acting on behalf of a debtor, may within the 30 day period specified in the notices required by section 327.64, cure a default by tendering full payment of the sums then in arrears under the terms of the security agreement, or by otherwise remedying the default, and by paying the reasonable costs, not to exceed the sum of ~~\$15~~ \$100, incurred by the secured party to enforce the security agreement. Cure of a default in accordance with the provisions of this section shall suspend the secured party's right to seek repossession of the manufactured home under the provisions of sections 327.61 to 327.67.

Sec. 5. **[327.665] REINSTATEMENT.**

Subdivision 1. **Right to reinstate.** (a) If the debtor does not cure the default within the 30-day period specified in section 327.66, the secured party must send a registered or certified letter and concurrently send a copy of the notice by first class mail to the occupant of the home and, if the debtor is different than the occupant, to the debtor, stating that the debtor has 30 days to reinstate the loan by paying the defaulted amount plus additional allowable fees incurred by the secured party in order to regain possession of the home.

(b) If the debtor does not sign for the registered or certified letter containing the notice within seven calendar days of the first attempted delivery, the secured party may proceed with all permissible actions provided in statute as though the debtor's signature had been secured.

Subd. 2. **Required notice; contents of notice.** (a) The notice shall contain, at a minimum, the following information:

(1) the name of the secured party, the debtor, each current assignee of the loan, if any, and the original or maximum principal amount secured by the loan;

(2) the date of the loan;

(3) the amount in arrears on the loan as of the date of the notice;

(4) a description of the manufactured home upon which the loan is secured, conforming substantially to that contained in the loan documents;

(5) the amount of allowable fees incurred by the secured party in order to regain possession of the home prior to the court order.

(b) The notice must also state: "Your manufactured home is currently being repossessed. Contact us immediately at [insert phone number] to discuss possible options for reinstating your loan. We encourage you to seek counseling with the foreclosure prevention counselor in your area. Nearby community agencies will answer your questions, offer free advice, and help you create a plan. You can contact the Minnesota Home Ownership Center at 866-462-6646 or www.hocmn.org to get the phone number and location of the nearest counseling organization. Call today. Waiting limits your options. If you do not become current on your loan within 30 days, including any additional fees, you will no longer be entitled to reinstate your loan. We are seeking a court order repossessing the home, and by court order you will have to vacate the home."

Subd. 3. **Action to repossess; termination of action.** At any time after the expiration of the 30-day period required under section 327.64, the creditor may proceed with a court action under section 327.65, so long as the right to reinstate has not been exercised. The exercise of the right to reinstatement in accordance with the provisions

of this section shall suspend the secured party's right to seek repossession of the manufactured home under the provisions of sections 327.61 to 327.67 and shall immediately terminate any court action filed pursuant to sections 327.61 to 327.67 or section 565.

Subd. 4. **Allowable costs.** For the purposes of this section, allowable costs that can be recovered include insurance; delinquent taxes, if any, upon the premises; interest to date of payment; cost of services of process or notices; filing fees; attorney fees, not to exceed \$150 or one-half of the attorney fees authorized by section 582.01, whichever is greater; together with other lawful disbursements necessarily incurred in connection with the proceedings by the party repossessing.

Sec. 6. Minnesota Statutes 2006, section 327B.01, is amended by adding a subdivision to read:

Subd. 2a. **Borrower.** "Borrower" means a person or persons applying for or obtaining a manufactured home loan.

Sec. 7. Minnesota Statutes 2006, section 327B.01, is amended by adding a subdivision to read:

Subd. 4b. **Churning.** "Churning" means knowingly or intentionally making, providing, or arranging for a manufactured home loan when the new manufactured home loan does not provide a reasonable, tangible net benefit to the borrower considering all of the circumstances, including the terms of both the new and refinanced loans, the cost of the new loan, and the borrower's circumstances.

Sec. 8. Minnesota Statutes 2006, section 327B.01, is amended by adding a subdivision to read:

Subd. 13a. **Manufactured home lender.** "Manufactured home lender" means a person who makes a manufactured home loan to a borrower, including a person who provides table funding. A manufactured home lender includes an affiliate, subsidiary, or any person acting as an agent of the lender. This definition does not apply to a manufactured home loan originated by a federal or state chartered bank, savings bank, credit union, or a licensed sales finance company as defined under section 53C.01, subdivision 12.

Sec. 9. Minnesota Statutes 2006, section 327B.01, is amended by adding a subdivision to read:

Subd. 13b. **Manufactured home loan.** "Manufactured home loan" means a loan made to a person or persons for the purchase, refinancing, improvement, or repair of a manufactured home.

Sec. 10. Minnesota Statutes 2006, section 327B.01, is amended by adding a subdivision to read:

Subd. 14b. **Negative amortization.** "Negative amortization" occurs when the borrower's compliance with any repayment option offered pursuant to the terms of the manufactured home loan is insufficient to satisfy the interest accruing on the loan, resulting in an increase in the loan balance. Negative amortization does not occur when a manufactured home loan is originated, subsidized, or guaranteed by or through a state, tribal, or local government, or nonprofit organization, and bears one or more of the following nonstandard payment terms that substantially benefit the borrower:

(1) payments vary with income;

(2) payments of principal and interest are deferred until the maturity date of the loan or the sale of the residence;

(3) principal or interest is forgivable under specified conditions; or

(4) where no interest or an annual interest rate of two percent or less is charged in connection with the loan, and excludes existing loan modifications and payment extensions mutually agreed upon by the secured party and debtor.

Sec. 11. Minnesota Statutes 2006, section 327B.08, is amended by adding a subdivision to read:

Subd. 6. **Duty of agency.** (a) A person acting as a broker shall be considered to have created an agency relationship with the borrower in all cases and shall comply with the following duties:

(1) brokers shall reasonably act:

(i) in the borrower's best interest;

(ii) in the utmost good faith toward borrowers; and

(iii) so as not to compromise a borrower's right or interest in favor of another's right or interest, including a right or interest of the broker. A broker shall not accept, give, or charge any undisclosed compensation or realize any undisclosed remuneration, either through direct or indirect means, that inures to the benefit of the broker on an expenditure made for the borrower;

(2) brokers shall carry out all lawful instructions given by borrowers;

(3) brokers shall disclose to borrowers all material facts of which the broker has knowledge which might reasonably affect the borrower's rights, interests, or ability to receive the borrower's intended benefit from the manufactured home loan, but not facts which are reasonably susceptible to the knowledge of the borrower;

(4) brokers shall use reasonable care in performing duties; and

(5) brokers shall account to a borrower for all the borrower's money and property received as an agent.

(b) The duty of agency does not attach to a broker who is:

(1) a dealer or retailer;

(2) a limited dealer or retailer;

(3) licensed as a sales finance company as defined under section 53C.01, subdivision 12;

(4) employed by:

(i) a manufactured home lender;

(ii) a dealer or retailer;

(iii) a limited dealer or retailer; or

(iv) a licensed sales finance company as defined under section 53C.01, subdivision 12;

(5) a person who has an exclusive contract to act as a broker for:

(i) a manufactured home lender;

(ii) a dealer or retailer;

(iii) a limited dealer or retailer; or

(iv) a licensed sales finance company as defined under section 53C.01, subdivision 12.

(c) Nothing in this section prohibits a broker who is bound by the duty of agency from contracting for or collecting a reasonable fee for services rendered and which had been disclosed to the borrower in advance of the provision of such services.

(d) Nothing in this section requires a broker who is bound by the duty of agency to obtain a loan containing terms or conditions not available to the broker in the broker's usual course of business, or to obtain a loan for the borrower from a manufactured home loan lender with whom the broker does not have a business relationship.

Sec. 12. Minnesota Statutes 2006, section 327B.09, is amended by adding a subdivision to read:

Subd. 6. Standards of conduct. (a) No manufactured home lender shall:

(1) charge a fee for a product or service where the product or service is not actually provided, or misrepresent the amount charged by or paid to a third-party for a product or service;

(2) make or cause to be made, directly or indirectly, any false, deceptive, or misleading statement or representation in connection with a manufactured home loan transaction, including, without limitation, a false, deceptive, or misleading statement or representation regarding the borrower's ability to qualify for any manufactured home loan product;

(3) issue any document indicating conditional qualification or conditional approval for a manufactured home loan, unless the document also clearly indicates that final qualification or approval is not guaranteed, and may be subject to additional review;

(4) make or assist in making any manufactured home loan without verifying the reasonable ability of the borrower to repay the loan, taking into consideration taxes and insurance in connection with the manufactured home;

(5) make, provide, or arrange for a manufactured home loan for a higher interest rate or on less favorable terms than the rate or terms for which the borrower qualifies based on criteria typically used by that lender to evaluate rate and term offerings;

(6) make, provide, or arrange for a manufactured home loan all or a portion of the proceeds of which are used to fully or partially pay off a "special loan" unless the borrower has obtained a written certification from an authorized independent loan counselor that the borrower has received counseling on the advisability of the loan transaction. For the purposes of this section, "special loan" means a loan for the purchase, refinance, improvement, or repair of the manufactured home originated, subsidized, or guaranteed by or through a state, tribal, or local government, or nonprofit organization, that bears one or more of the following nonstandard payment terms, which substantially benefit the borrower:

(i) payments vary with income;

(ii) payments of principal or interest are not required or can be deferred under specified conditions;

(iii) principal or interest is forgivable under specified conditions; or

(iv) where no interest or an annual interest rate of two percent or less is charged in connection with the loan. For the purposes of this section, "authorized independent loan counselor" means a nonprofit, third-party individual or organization providing homebuyer education programs, foreclosure prevention services, loan counseling, or credit counseling certified by the United States Department of Housing and Urban Development, the Minnesota Home Ownership Center, the Minnesota Mortgage Foreclosure Prevention Association, AARP, or NeighborWorks America.

(7) engage in churning; or

(8) make, provide, or arrange for a manufactured home loan if the borrower's compliance with any repayment option offered under the terms of the loan will result in negative amortization during any six-month period. This excludes existing loan extensions and modifications.

(b) This subdivision does not apply to a state or federally chartered bank, savings bank, or credit union, an institution chartered by Congress under the Farm Credit Act, or to a person making, providing, or arranging a manufactured home loan originated or purchased by a state agency or a tribal or local unit of government.

Sec. 13. **[327B.095] INTEREST, POINTS, FINANCE CHARGES, FEES, AND OTHER CHARGES.**

Subdivision 1. **Financed interest, points, finance charges, fees, and other charges.** (a) A manufactured home lender making or modifying a manufactured home loan to a borrower located in this state must not include in the principal amount of any loan, all or any portion of any lender fee in an aggregate amount exceeding:

(1) five percent of the loan amount for loans over \$60,000;

(2) six percent of the loan amount for loans less than \$60,000, but greater than or equal to \$40,000; or

(3) eight percent of the loan amount for loans of less than \$40,000.

(b) "Lender fee" means interest, origination points, finance charges, fees, and other charges payable in connection with the manufactured home loan:

(1) by the borrower to any manufactured home lender or broker or to any assignee of any manufactured home lender or broker; or

(2) by the lender to a broker.

(c) Lender fee does not include discount points, provided there is a concomitant benefit to the borrower, recording fees, taxes, passthroughs, or other amounts that are paid by any person to any government entity, filing office, or other third party that is not a manufactured home lender or broker or to any assignee of any manufactured home lender or broker. Lender fee also does not include any amount that is set aside to pay taxes or insurance on any property securing the manufactured home loan.

(d) "Loan amount" means:

(1) for a line of credit, the maximum principal amount of the line of credit; and

(2) for any other manufactured home loan, the principal amount of the loan, excluding all interest, points, finance charges, fees, and other charges.

(e) A manufactured home lender or broker shall not charge, receive, or collect any excess financed interest, points, finance charges, fees, or other charges described in this subdivision, or any interest, points, finance charges, fees, or other charges with respect to this excess.

Subd. 2. **Prepayment penalties.** No manufactured home loan may contain a provision requiring or permitting the imposition of a penalty, fee, premium, or other charge in the event the manufactured home loan is prepaid in whole or in part unless the penalty, fee, premium, or other charge constitutes consideration for an equal or greater benefit to the borrower.

Subd. 3. **Exemption.** This section does not apply to a manufactured home loan originated by a federal or state chartered bank, savings bank, credit union, or a licensed sales finance company as defined under section 53C.01, subdivision 12.

Sec. 14. Minnesota Statutes 2006, section 327B.12, is amended to read:

327B.12 ADDITIONAL REMEDIES AND ENFORCEMENT.

Subdivision 1. **Private remedies.** (a) Any person injured or threatened with injury by a dealer or manufacturer's violation of sections 327B.01 to 327B.12 may bring a private action in any court of competent jurisdiction.

(b) A borrower injured by a violation of the standards, duties, prohibitions, or requirements of sections 327B.08, subdivision 6; 325B.09, subdivision 6; or 325B.095, shall have a private right of action and the court shall award actual, incidental, and consequential damages.

Subd. 2. **Fraud remedies.** In addition to the remedies provided in sections 327B.01 to 327B.12, any violation of section 327B.08 or 327B.09 is a violation of section 325F.69, subdivision 1 and the provisions of section 8.31 shall apply. A private right of action by the borrower under this chapter is in the public interest."

Delete the title and insert:

"A bill for an act relating to manufactured housing; providing for regulation of lending practices and default; providing notices and remedies; amending Minnesota Statutes 2006, sections 327.64, subdivision 2; 327.65; 327.66; 327B.01, by adding subdivisions; 327B.08, by adding a subdivision; 327B.09, by adding a subdivision; 327B.12; proposing coding for new law in Minnesota Statutes, chapters 327; 327B."

We request the adoption of this report and repassage of the bill.

House Conferees: PAUL GARDNER, JIM DAVNIE AND JOHN BERNS.

Senate Conferees: JOHN MARTY, MICHAEL J. JUNGBAUER AND LINDA SCHEID.

Gardner moved that the report of the Conference Committee on H. F. No. 3477 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 3477, A bill for an act relating to manufactured housing; providing for regulation of lending practices and default; providing notices and remedies; amending Minnesota Statutes 2006, sections 327.64, subdivision 2; 327.65; 327.66; 327B.01, by adding subdivisions; 327B.08, by adding a subdivision; 327B.09, by adding a subdivision; 327B.12; proposing coding for new law in Minnesota Statutes, chapters 327; 327B.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 126 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Abeler	Dittrich	Heidgerken	Lesch	Olin	Slawik
Anderson, S.	Dominguez	Hilstrom	Liebling	Otremba	Slocum
Anzelc	Doty	Hilty	Lieder	Ozment	Smith
Atkins	Drazkowski	Holberg	Lillie	Paulsen	Solberg
Benson	Eastlund	Hoppe	Loeffler	Paymar	Swails
Berns	Eken	Hortman	Madore	Pelowski	Thao
Bigham	Erhardt	Hosch	Magnus	Peppin	Thissen
Bly	Erickson	Howes	Mahoney	Peterson, A.	Tillberry
Brod	Faust	Huntley	Mariani	Peterson, N.	Tingelstad
Brown	Finstad	Jaros	Marquart	Peterson, S.	Tschumper
Brynaert	Fritz	Johnson	Masin	Poppe	Urdahl
Bunn	Gardner	Juhnke	McFarlane	Rukavina	Wagenius
Carlson	Garofalo	Kahn	McNamara	Ruth	Walker
Clark	Gottwalt	Kalin	Morgan	Ruud	Ward
Cornish	Greiling	Knuth	Morrow	Sailer	Wardlow
Davnie	Gunther	Koenen	Mullery	Seifert	Welti
Dean	Hackbarth	Kohls	Murphy, E.	Sertich	Westrom
DeLaForest	Hamilton	Kranz	Murphy, M.	Severson	Winkler
Demmer	Hansen	Laine	Nelson	Shimanski	Wollschlager
Dettmer	Hausman	Lanning	Nornes	Simon	Zellers
Dill	Haws	Lenczewski	Norton	Simpson	Spk. Kelliher

Those who voted in the negative were:

Buesgens	Emmer	Olson
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The bill was repassed, as amended by Conference, and its title agreed to.

CALENDAR FOR THE DAY

S. F. No. 2939, A bill for an act relating to telecommunications; modifying provisions relating to alternative regulation plans; amending Minnesota Statutes 2006, section 237.766, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Berns	Brynaert	Cornish	Dettmer	Drazkowski
Anderson, S.	Bigham	Buesgens	Davnie	Dill	Eastlund
Anzelc	Bly	Bunn	Dean	Dittrich	Eken
Atkins	Brod	Carlson	DeLaForest	Dominguez	Emmer
Benson	Brown	Clark	Demmer	Doty	Erhardt

Erickson	Holberg	Lenczewski	Murphy, E.	Rukavina	Tillberry
Faust	Hoppe	Lesch	Murphy, M.	Ruth	Tingelstad
Finstad	Hortman	Liebling	Nelson	Ruud	Tschumper
Fritz	Hosch	Lieder	Nornes	Sailer	Urdahl
Gardner	Howes	Lillie	Norton	Seifert	Wagenius
Garofalo	Huntley	Loeffler	Olin	Sertich	Walker
Gottwalt	Jaros	Madore	Olson	Severson	Ward
Greiling	Johnson	Magnus	Otremba	Shimanski	Wardlow
Gunther	Juhnke	Mahoney	Ozment	Simon	Welti
Hackbarth	Kahn	Mariani	Paulsen	Simpson	Westrom
Hamilton	Kalin	Marquart	Paymar	Slawik	Winkler
Hansen	Knuth	Masin	Pelowski	Slocum	Wollschlager
Hausman	Koenen	McFarlane	Peppin	Smith	Zellers
Haws	Kohls	McNamara	Peterson, A.	Solberg	Spk. Kelliher
Heidgerken	Kranz	Morgan	Peterson, N.	Swails	
Hilstrom	Laine	Morrow	Peterson, S.	Thao	
Hilty	Lanning	Mullery	Poppe	Thissen	

The bill was passed and its title agreed to.

S. F. No. 3174 was reported to the House.

Paulsen and Erhardt moved to amend S. F. No. 3174 as follows:

Page 32, after line 19, insert:

"Sec. 12. Minnesota Statutes 2007 Supplement, section 80A.65, subdivision 1, is amended to read:

Subdivision 1. **Registration or notice filing fee.** (a) There shall be a filing fee of \$100 for every application for registration or notice filing. There shall be an additional fee of one-tenth of one percent of the maximum aggregate offering price at which the securities are to be offered in this state, and the maximum combined fees shall not exceed \$300.

(b) When an application for registration is withdrawn before the effective date or a preeffective stop order is entered under section 80A.54, all but the \$100 filing fee shall be returned. If an application to register securities is denied, the total of all fees received shall be retained.

(c) Where a filing is made in connection with a federal covered security under section 18(b)(2) of the Securities Act of 1933, there is a fee of \$100 for every initial filing. If the filing is made in connection with redeemable securities issued by an open end management company or unit investment trust, as defined in the Investment Company Act of 1940, there is an additional annual fee of 1/20 of one percent of the maximum aggregate offering price at which the securities are to be offered in this state during the notice filing period. The fee must be paid at the time of the initial filing and thereafter in connection with each renewal no later than July 1 of each year and must be sufficient to cover the shares the issuer expects to sell in this state over the next 12 months. If during a current notice filing the issuer determines it is likely to sell shares in excess of the shares for which fees have been paid to the administrator, the issuer shall submit an amended notice filing to the administrator under section 80A.50, together with a fee of 1/20 of one percent of the maximum aggregate offering price of the additional shares. Shares for which a fee has been paid, but which have not been sold at the time of expiration of the notice filing, may not be sold unless an additional fee to cover the shares has been paid to the administrator as provided in this section and section 80A.50. If the filing is made in connection with redeemable securities issued by such a company or trust, there is no maximum fee for securities filings made according to this paragraph. If the filing is made in connection

with any other federal covered security under Section 18(b)(2) of the Securities Act of 1933, there is an additional fee of one-tenth of one percent of the maximum aggregate offering price at which the securities are to be offered in this state, and the combined fees shall not exceed \$300. Beginning with fiscal year 2001 and continuing each fiscal year thereafter, as of the last day of each fiscal year, the administrator shall determine the total amount of all fees that were collected under this paragraph in connection with any filings made for that fiscal year for securities of an open-end investment company on behalf of a security that is a federal covered security pursuant to section 18(b)(2) of the Securities Act of 1933. To the extent the total fees collected by the administrator in connection with these filings exceed ~~\$25,600,000~~ the cost to the commissioner of regulating securities in a fiscal year, the administrator shall refund, on a pro rata basis, to all persons who paid any fees for that fiscal year, the amount of fees collected by the administrator in excess of ~~\$25,600,000~~ the cost to the commissioner of regulating securities. No individual refund is required of amounts of \$100 or less for a fiscal year.

EFFECTIVE DATE. This section is effective July 1, 2009."

A roll call was requested and properly seconded.

The question was taken on the Paulsen and Erhardt amendment and the roll was called. There were 60 yeas and 69 nays as follows:

Those who voted in the affirmative were:

Abeler	DeLaForest	Garofalo	Kranz	Paulsen	Simpson
Anderson, S.	Demmer	Gottwalt	Lanning	Pelowski	Slawik
Benson	Dettmer	Gunther	Lieder	Peppin	Smith
Berns	Dittrich	Hackbarth	Magnus	Peterson, N.	Swails
Brod	Drazkowski	Hamilton	McFarlane	Poppe	Tingelstad
Brown	Eastlund	Heidgerken	McNamara	Ruth	Urdahl
Buesgens	Emmer	Holberg	Morgan	Ruud	Wardlow
Bunn	Erhardt	Hoppe	Nornes	Seifert	Westrom
Cornish	Erickson	Howes	Olson	Severson	Wollschlager
Dean	Finstad	Kohls	Ozment	Shimanski	Zellers

Those who voted in the negative were:

Anzelc	Faust	Jaros	Loeffler	Olin	Thissen
Atkins	Fritz	Johnson	Madore	Otremba	Tillberry
Bigham	Gardner	Juhnke	Mahoney	Paymar	Tschumper
Bly	Greiling	Kahn	Mariani	Peterson, A.	Wagenius
Brynaert	Hansen	Kalin	Marquart	Peterson, S.	Walker
Carlson	Hausman	Knuth	Masin	Rukavina	Ward
Clark	Haws	Koenen	Morrow	Sailer	Welti
Davnie	Hilstrom	Laine	Mullery	Sertich	Winkler
Dill	Hilty	Lenczewski	Murphy, E.	Simon	Spk. Kelliher
Dominguez	Hortman	Lesch	Murphy, M.	Slocum	
Doty	Hosch	Liebling	Nelson	Solberg	
Eken	Huntley	Lillie	Norton	Thao	

The motion did not prevail and the amendment was not adopted.

S. F. No. 3174, A bill for an act relating to securities; modifying the Minnesota Securities Act; regulating registrations, filings, and fees; making various technical changes; amending Minnesota Statutes 2006, sections 80A.40; 80A.41; 80A.46; 80A.50; 80A.52; 80A.54; 80A.55; 80A.56; 80A.57; 80A.58; 80A.60; 80A.65, subdivision 2, by adding a subdivision; 80A.66; 80A.67; 80A.76; 80A.82; 80A.83; 80A.85; 80A.87.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 8 nays as follows:

Those who voted in the affirmative were:

Abeler	Dittrich	Hilty	Lieder	Ozment	Swails
Anderson, S.	Dominguez	Holberg	Lillie	Paulsen	Thao
Anzelc	Doty	Hoppe	Loeffler	Paymar	Thissen
Atkins	Drazkowski	Hortman	Madore	Pelowski	Tillberry
Benson	Eastlund	Hosch	Magnus	Peterson, A.	Tingelstad
Berns	Eken	Howes	Mahoney	Peterson, N.	Tschumper
Bigham	Erhardt	Huntley	Mariani	Peterson, S.	Urdahl
Bly	Faust	Jaros	Marquart	Poppe	Wagenius
Brod	Finstad	Johnson	Masin	Rukavina	Walker
Brown	Fritz	Juhnke	McFarlane	Ruth	Ward
Brynaert	Gardner	Kahn	McNamara	Ruud	Wardlow
Bunn	Garofalo	Kalin	Morgan	Sailer	Welti
Carlson	Gottwalt	Knuth	Morrow	Seifert	Westrom
Clark	Greiling	Koenen	Mullery	Sertich	Winkler
Cornish	Gunther	Kohls	Murphy, E.	Severson	Wollschlager
Davnie	Hamilton	Kranz	Murphy, M.	Simon	Zellers
Dean	Hansen	Laine	Nelson	Simpson	Spk. Kelliher
DeLaForest	Hausman	Lanning	Nornes	Slawik	
Demmer	Haws	Lenczewski	Norton	Slocum	
Dettmer	Heidgerken	Lesch	Olin	Smith	
Dill	Hilstrom	Liebling	Otremba	Solberg	

Those who voted in the negative were:

Anderson, B.	Emmer	Hackbarth	Peppin
Buesgens	Erickson	Olson	Shimanski

The bill was passed and its title agreed to.

S. F. No. 3331, A bill for an act relating to local government finance; permitting Minneapolis Park and Recreation Board to retain proceeds from the condemnation of park lands necessary for the reconstruction and expansion of marked Interstate Highway 35W at the Mississippi River.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dill	Haws	Lesch	Olson	Slocum
Anderson, B.	Dittrich	Heidgerken	Liebling	Otremba	Smith
Anderson, S.	Dominguez	Hilstrom	Lieder	Ozment	Solberg
Anzelc	Doty	Hilty	Lillie	Paulsen	Swails
Atkins	Drazkowski	Holberg	Loeffler	Paymar	Thao
Benson	Eastlund	Hoppe	Madore	Pelowski	Thissen
Berns	Eken	Hortman	Magnus	Peppin	Tillberry
Bigham	Emmer	Hosch	Mahoney	Peterson, A.	Tingelstad
Bly	Erhardt	Howes	Mariani	Peterson, N.	Tschumper
Brod	Erickson	Huntley	Marquart	Peterson, S.	Urdahl
Brown	Faust	Jaros	Masin	Poppe	Wagenius
Brynaert	Finstad	Johnson	McFarlane	Rukavina	Walker
Buesgens	Fritz	Juhnke	McNamara	Ruth	Ward
Bunn	Gardner	Kahn	Morgan	Ruud	Wardlow
Carlson	Garofalo	Kalin	Morrow	Sailer	Welti
Clark	Gottwalt	Knuth	Mullery	Seifert	Westrom
Cornish	Greiling	Koenen	Murphy, E.	Sertich	Winkler
Davnie	Gunther	Kohls	Murphy, M.	Severson	Wollschlager
Dean	Hackbarth	Kranz	Nelson	Shimanski	Zellers
DeLaForest	Hamilton	Laine	Nornes	Simon	Spk. Kelliher
Demmer	Hansen	Lanning	Norton	Simpson	
Dettmer	Hausman	Lenczewski	Olin	Slawik	

The bill was passed and its title agreed to.

S. F. No. 2996, A bill for an act relating to energy and the environment; extending the definition of biomass with respect to renewable energy objectives, distributed energy resources, and renewable energy resource planning; extending the expiration date for the Metropolitan Area Water Supply Advisory Committee; amending Minnesota Statutes 2006, sections 216B.2411, subdivision 2; 216B.2422, subdivision 1; 473.1565, subdivision 2; Minnesota Statutes 2007 Supplement, section 216B.1691, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Brynaert	Dill	Finstad	Haws	Johnson
Anderson, B.	Buesgens	Dittrich	Fritz	Heidgerken	Juhnke
Anderson, S.	Bunn	Dominguez	Gardner	Hilstrom	Kahn
Anzelc	Carlson	Doty	Garofalo	Hilty	Kalin
Atkins	Clark	Drazkowski	Gottwalt	Holberg	Knuth
Benson	Cornish	Eastlund	Greiling	Hoppe	Koenen
Berns	Davnie	Eken	Gunther	Hortman	Kohls
Bigham	Dean	Emmer	Hackbarth	Hosch	Kranz
Bly	DeLaForest	Erhardt	Hamilton	Howes	Laine
Brod	Demmer	Erickson	Hansen	Huntley	Lanning
Brown	Dettmer	Faust	Hausman	Jaros	Lenczewski

Lesch	McFarlane	Olson	Rukavina	Slocum	Walker
Liebling	McNamara	Otremba	Ruth	Smith	Ward
Lieder	Morgan	Ozment	Ruud	Solberg	Wardlow
Lillie	Morrow	Paulsen	Sailer	Swails	Welti
Loeffler	Mullery	Paymar	Seifert	Thao	Westrom
Madore	Murphy, E.	Pelowski	Sertich	Thissen	Winkler
Magnus	Murphy, M.	Peppin	Severson	Tillberry	Wollschlager
Mahoney	Nelson	Peterson, A.	Shimanski	Tingelstad	Zellers
Mariani	Nornes	Peterson, N.	Simon	Tschumper	Spk. Kelliher
Marquart	Norton	Peterson, S.	Simpson	Urdahl	
Masin	Olin	Poppe	Slawik	Wagenius	

The bill was passed and its title agreed to.

S. F. No. 3455, A bill for an act relating to commerce; regulating the purchase and receipt of beer kegs by scrap metal dealers; amending Minnesota Statutes 2007 Supplement, section 325E.21, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dill	Haws	Lesch	Olson	Slocum
Anderson, B.	Dittrich	Heidgerken	Liebling	Otremba	Smith
Anderson, S.	Dominguez	Hilstrom	Lieder	Ozment	Solberg
Anzels	Doty	Hilty	Lillie	Paulsen	Swails
Atkins	Drazkowski	Holberg	Loeffler	Paymar	Thao
Benson	Eastlund	Hoppe	Madore	Pelowski	Thissen
Berns	Eken	Hortman	Magnus	Peppin	Tillberry
Bigham	Emmer	Hosch	Mahoney	Peterson, A.	Tingelstad
Bly	Erhardt	Howes	Mariani	Peterson, N.	Tschumper
Brod	Erickson	Huntley	Marquart	Peterson, S.	Urdahl
Brown	Faust	Jaros	Masin	Poppe	Wagenius
Brynaert	Finstad	Johnson	McFarlane	Rukavina	Walker
Buesgens	Fritz	Juhnke	McNamara	Ruth	Ward
Bunn	Gardner	Kahn	Morgan	Ruud	Wardlow
Carlson	Garofalo	Kalin	Morrow	Sailer	Welti
Clark	Gottwalt	Knuth	Mullery	Seifert	Westrom
Cornish	Greiling	Koenen	Murphy, E.	Sertich	Winkler
Davnie	Gunther	Kohls	Murphy, M.	Severson	Wollschlager
Dean	Hackbarth	Kranz	Nelson	Shimanski	Zellers
DeLaForest	Hamilton	Laine	Nornes	Simon	Spk. Kelliher
Demmer	Hansen	Lanning	Norton	Simpson	
Dettmer	Hausman	Lenczewski	Olin	Slawik	

The bill was passed and its title agreed to.

S. F. No. 3564, A bill for an act relating to transportation finance; correcting transitional rate of special fuel excise tax on compressed natural gas; amending Laws 2008, chapter 152, article 3, section 6.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 90 yeas and 40 nays as follows:

Those who voted in the affirmative were:

Abeler	Doty	Hosch	Lillie	Olin	Slocum
Anzelc	Eken	Huntley	Loeffler	Otremba	Solberg
Atkins	Erhardt	Jaros	Madore	Ozment	Swails
Benson	Faust	Johnson	Magnus	Paymar	Thao
Bigham	Fritz	Juhnke	Mahoney	Pelowski	Thissen
Bly	Gardner	Kahn	Mariani	Peterson, A.	Tillberry
Brown	Greiling	Kalin	Marquart	Peterson, N.	Tingelstad
Brynaert	Hamilton	Knuth	Masin	Peterson, S.	Tschumper
Bunn	Hansen	Koenen	Morgan	Poppe	Wagenius
Carlson	Hausman	Kranz	Morrow	Rukavina	Walker
Clark	Haws	Laine	Mullery	Ruud	Ward
Davnie	Heidgerken	Lenczewski	Murphy, E.	Sailer	Welti
Dill	Hilstrom	Lesch	Murphy, M.	Sertich	Winkler
Dittrich	Hilty	Liebling	Nelson	Simon	Wollschlager
Dominguez	Hortman	Lieder	Norton	Slawik	Spk. Kelliher

Those who voted in the negative were:

Anderson, B.	DeLaForest	Finstad	Howes	Paulsen	Smith
Anderson, S.	Demmer	Garofalo	Kohls	Peppin	Urdahl
Berns	Dettmer	Gottwalt	Lanning	Ruth	Wardlow
Brod	Drazkowski	Gunther	McFarlane	Seifert	Westrom
Buesgens	Eastlund	Hackbarth	McNamara	Severson	Zellers
Cornish	Emmer	Holberg	Nornes	Shimanski	
Dean	Erickson	Hoppe	Olson	Simpson	

The bill was passed and its title agreed to.

S. F. No. 3098, A bill for an act relating to lawful gambling; providing for certain penalties; modifying licensing and other regulatory provisions; making changes to expenditure restrictions; modifying games and prizes; making clarifying, conforming, and technical changes to lawful gambling; requiring a report; amending Minnesota Statutes 2006, sections 349.12, subdivisions 18, 31; 349.15, by adding a subdivision; 349.161, subdivisions 1, 5; 349.1641; 349.167, subdivisions 2, 4, 7; 349.17, subdivision 7; 349.18, subdivision 1; 349.19, subdivision 10; 349.191, subdivisions 1a, 1b; 349.2113; Minnesota Statutes 2007 Supplement, sections 349.15, subdivision 1; 349.17, subdivision 8; 349.211, subdivisions 2, 2a, 2c, 3, 4, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Abeler	Anzelc	Berns	Brod	Buesgens	Clark
Anderson, B.	Atkins	Bigham	Brown	Bunn	Cornish
Anderson, S.	Benson	Bly	Brynaert	Carlson	Davnie

Dean	Greiling	Kalin	McFarlane	Peterson, S.	Tillberry
DeLaForest	Gunther	Knuth	McNamara	Poppe	Tingelstad
Demmer	Hackbarth	Koenen	Morgan	Rukavina	Tschumper
Dettmer	Hamilton	Kohls	Morrow	Ruth	Urdahl
Dill	Hansen	Kranz	Mullery	Ruud	Wagenius
Dittrich	Hausman	Laine	Murphy, E.	Sailer	Walker
Dominguez	Haws	Lanning	Murphy, M.	Seifert	Ward
Doty	Heidgerken	Lenczewski	Nelson	Sertich	Wardlow
Drazkowski	Hilstrom	Lesch	Nornes	Severson	Welti
Eastlund	Hilty	Liebling	Norton	Shimanski	Westrom
Eken	Hoppe	Lieder	Olin	Simon	Winkler
Erhardt	Hortman	Lillie	Otremba	Simpson	Wollschlager
Erickson	Hosch	Loeffler	Ozment	Slawik	Zellers
Faust	Howes	Madore	Paulsen	Slocum	Spk. Kelliher
Finstad	Huntley	Magnus	Paymar	Smith	
Fritz	Jaros	Mahoney	Pelowski	Solberg	
Gardner	Johnson	Mariani	Peppin	Swails	
Garofalo	Juhnke	Marquart	Peterson, A.	Thao	
Gottwalt	Kahn	Masin	Peterson, N.	Thissen	

Those who voted in the negative were:

Emmer Holberg Olson

The bill was passed and its title agreed to.

H. F. No. 3376 was reported to the House.

Seifert moved to amend H. F. No. 3376, the second engrossment, as follows:

Page 1, after line 17, insert:

"Section 1. Minnesota Statutes 2006, section 256J.39, is amended by adding a subdivision to read:

Subd. 1a. **Prohibited purchases.** MFIP recipients are prohibited from using MFIP monthly cash assistance payments issued in the form of an electronic benefits transfer to purchase tobacco products or alcohol."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

Urdahl moved to amend the Seifert amendment to H. F. No. 3376, the second engrossment, as follows:

Page 1, line 7, after "products" insert ", lottery tickets,"

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 110 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Abeler	Demmer	Hamilton	Lanning	Ozment	Solberg
Anderson, B.	Dettmer	Hansen	Lenczewski	Paulsen	Swails
Anderson, S.	Dill	Haws	Liebling	Paymar	Thao
Anzelc	Dittrich	Heidgerken	Lieder	Pelowski	Tillberry
Atkins	Doty	Hilstrom	Lillie	Peppin	Tingelstad
Benson	Drazkowski	Hilty	Loeffler	Peterson, A.	Urdahl
Berns	Eastlund	Holberg	Madore	Peterson, N.	Wagenius
Bigham	Eken	Hoppe	Magnus	Peterson, S.	Ward
Bly	Emmer	Hosch	Marquart	Poppe	Wardlow
Brod	Erhardt	Howes	Masin	Ruth	Welti
Brown	Erickson	Huntley	McFarlane	Ruud	Westrom
Brynaert	Faust	Johnson	McNamara	Sailer	Winkler
Buesgens	Finstad	Juhnke	Morgan	Seifert	Wollschlager
Bunn	Fritz	Kalin	Morrow	Severson	Zellers
Carlson	Gardner	Knuth	Nornes	Shimanski	Spk. Kelliher
Cornish	Garofalo	Koenen	Norton	Simon	
Davnie	Gottwalt	Kohls	Olin	Simpson	
Dean	Gunther	Kranz	Olson	Slawik	
DeLaForest	Hackbarth	Laine	Otremba	Smith	

Those who voted in the negative were:

Clark	Jaros	Mahoney	Murphy, E.	Sertich	Walker
Dominguez	Kahn	Mariani	Nelson	Slocum	
Hausman	Lesch	Mullery	Rukavina	Thissen	

The motion prevailed and the amendment to the amendment was adopted.

CALL OF THE HOUSE

On the motion of Seifert and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abeler	Cornish	Faust	Holberg	Lenczewski	Mullery
Anderson, B.	Davnie	Finstad	Hoppe	Lesch	Murphy, E.
Anderson, S.	Dean	Fritz	Hortman	Liebling	Murphy, M.
Anzelc	DeLaForest	Gardner	Hosch	Lieder	Nelson
Atkins	Demmer	Garofalo	Howes	Lillie	Nornes
Benson	Dettmer	Gottwalt	Huntley	Loeffler	Norton
Berns	Dill	Greiling	Jaros	Madore	Olin
Bigham	Dittrich	Gunther	Johnson	Magnus	Olson
Bly	Dominguez	Hackbarth	Kahn	Mahoney	Otremba
Brod	Doty	Hamilton	Kalin	Mariani	Ozment
Brown	Drazkowski	Hansen	Knuth	Marquart	Paulsen
Brynaert	Eastlund	Hausman	Koenen	Masin	Paymar
Buesgens	Eken	Haws	Kohls	McFarlane	Pelowski
Bunn	Emmer	Heidgerken	Kranz	McNamara	Peppin
Carlson	Erhardt	Hilstrom	Laine	Morgan	Peterson, A.
Clark	Erickson	Hilty	Lanning	Morrow	Peterson, N.

Peterson, S.	Seifert	Slawik	Thissen	Walker	Wollschlager
Poppe	Sertich	Slocum	Tillberry	Ward	Zellers
Rukavina	Severson	Smith	Tingelstad	Wardlow	Spk. Kelliher
Ruth	Shimanski	Solberg	Tschumper	Welti	
Ruud	Simon	Swails	Urdahl	Westrom	
Sailer	Simpson	Thao	Wagenius	Winkler	

Sertich moved that further proceedings of the roll call be suspended and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

Howes moved to amend the Seifert amendment, as amended, to H. F. No. 3376, the second engrossment, as follows:

Page 1, line 7, delete "alcohol" and insert "alcoholic beverages"

The motion prevailed and the amendment to the amendment, as amended, was adopted.

The question recurred on the Seifert amendment, as amended, and the roll was called. There were 102 yeas and 28 nays as follows:

Those who voted in the affirmative were:

Abeler	Demmer	Gunther	Kranz	Olin	Shimanski
Anderson, B.	Dettmer	Hackbarth	Laine	Olson	Simon
Anderson, S.	Dill	Hamilton	Lanning	Otremba	Simpson
Anzenc	Dittrich	Hansen	Lenczewski	Ozment	Slawik
Atkins	Doty	Haws	Liebling	Paulsen	Smith
Benson	Drazkowski	Heidgerken	Lieder	Paymar	Solberg
Berns	Eastlund	Hilstrom	Lillie	Pelowski	Swails
Bigham	Eken	Holberg	Madore	Peppin	Tillberry
Bly	Emmer	Hoppe	Magnus	Peterson, A.	Tingelstad
Brod	Erhardt	Hortman	Marquart	Peterson, N.	Tschumper
Brown	Erickson	Hosch	Masin	Peterson, S.	Urdahl
Brynaert	Faust	Howes	McFarlane	Poppe	Ward
Buesgens	Finstad	Juhnke	McNamara	Ruth	Wardlow
Bunn	Fritz	Kalin	Morgan	Ruud	Welti
Cornish	Gardner	Knuth	Morrow	Sailer	Westrom
Dean	Garofalo	Koene	Nornes	Seifert	Wollschlager
DeLaForest	Gottwalt	Kohls	Norton	Severson	Zellers

Those who voted in the negative were:

Carlson	Hausman	Kahn	Mullery	Sertich	Walker
Clark	Hilty	Lesch	Murphy, E.	Slocum	Winkler
Davnie	Huntley	Loeffler	Murphy, M.	Thao	Spk. Kelliher
Dominguez	Jaros	Mahoney	Nelson	Thissen	
Greiling	Johnson	Mariani	Rukavina	Wagenius	

The motion prevailed and the amendment, as amended, was adopted.

Emmer moved to amend H. F. No. 3376, the second engrossment, as amended, as follows:

Page 2, after line 7, insert:

"Sec. 2. Minnesota Statutes 2007 Supplement, section 256J.49, subdivision 13, is amended to read:

Subd. 13. **Work activity.** (a) "Work activity" means any activity in a participant's approved employment plan that leads to employment. For purposes of the MFIP program, this includes activities that meet the definition of work activity under the participation requirements of TANF. Work activity includes:

- (1) unsubsidized employment, including work study and paid apprenticeships or internships;
- (2) subsidized private sector or public sector employment, including grant diversion as specified in section 256J.69, on-the-job training as specified in section 256J.66, the self-employment investment demonstration program (SEID) as specified in section 256J.65, paid work experience, and supported work when a wage subsidy is provided;
- (3) unpaid work experience, including community service, volunteer work, the community work experience program as specified in section 256J.67, unpaid apprenticeships or internships, and supported work when a wage subsidy is not provided. Unpaid work experience is only an option if the participant has been unable to obtain or maintain paid employment in the competitive labor market, and no paid work experience programs are available to the participant. Unless a participant consents to participating in unpaid work experience, the participant's employment plan may only include unpaid work experience if including the unpaid work experience in the plan will meet the following criteria:
 - (i) the unpaid work experience will provide the participant specific skills or experience that cannot be obtained through other work activity options where the participant resides or is willing to reside; and
 - (ii) the skills or experience gained through the unpaid work experience will result in higher wages for the participant than the participant could earn without the unpaid work experience;
- (4) job search including job readiness assistance, job clubs, job placement, job-related counseling, and job retention services;
- (5) job readiness education, including English as a second language (ESL) or functional work literacy classes as limited by the provisions of section 256J.531, subdivision 2, general educational development (GED) course work, high school completion, and adult basic education as limited by the provisions of section 256J.531, subdivision 1;
- (6) job skills training directly related to employment, including education and training that can reasonably be expected to lead to employment, as limited by the provisions of section 256J.53;
- (7) providing child care services to a participant who is working in a community service program;
- (8) activities included in the employment plan that is developed under section 256J.521, subdivision 3; and
- (9) preemployment activities including chemical and mental health assessments, treatment, and services; learning disabilities services; child protective services; family stabilization services; or other programs designed to enhance employability.

(b) "Work activity" does not include activities related to distributing and collecting voter registration cards."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

Walker moved to amend the Emmer amendment to H. F. No. 3376, the second engrossment, as amended, as follows:

Page 2, line 21, after "include" insert "partisan"

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Emmer amendment, as amended, and the roll was called. There were 83 yeas and 48 nays as follows:

Those who voted in the affirmative were:

Abeler	Demmer	Gunther	Kohls	Olson	Severson
Anderson, B.	Dettmer	Hackbarth	Kranz	Otremba	Shimanski
Anderson, S.	Dittrich	Hamilton	Laine	Ozment	Simpson
Atkins	Doty	Haws	Lanning	Paulsen	Smith
Benson	Drazkowski	Heidgerken	Lenczewski	Pelowski	Swails
Berns	Eastlund	Holberg	Liebling	Peppin	Tingelstad
Bly	Eken	Hoppe	Lieder	Peterson, A.	Urdahl
Brod	Emmer	Hortman	Magnus	Peterson, N.	Ward
Brown	Erhardt	Hosch	Marquart	Peterson, S.	Wardlow
Buesgens	Erickson	Howes	McFarlane	Poppe	Welti
Bunn	Finstad	Juhnke	McNamara	Ruth	Westrom
Cornish	Fritz	Kalin	Nornes	Ruud	Wollschlager
Dean	Garofalo	Knuth	Norton	Sailer	Zellers
DeLaForest	Gottwalt	Koenen	Olin	Seifert	

Those who voted in the negative were:

Anzelc	Faust	Jaros	Mariani	Nelson	Thao
Bigham	Gardner	Johnson	Masin	Paymar	Thissen
Brynaert	Greiling	Kahn	Moe	Rukavina	Tillbery
Carlson	Hansen	Lesch	Morgan	Sertich	Tschumper
Clark	Hausman	Lillie	Morrow	Simon	Wagenius
Davnie	Hilstrom	Loeffler	Mullery	Slawik	Walker
Dill	Hilty	Madore	Murphy, E.	Slocum	Winkler
Dominguez	Huntley	Mahoney	Murphy, M.	Solberg	Spk. Kelliher

The motion prevailed and the amendment, as amended, was adopted.

Peppin moved to amend H. F. No. 3376, the second engrossment, as amended, as follows:

Page 2, after line 7, insert:

"Sec. 2. Minnesota Statutes 2007 Supplement, section 256J.49, subdivision 13, is amended to read:

Subd. 13. **Work activity.** "Work activity" means any activity in a participant's approved employment plan that leads to employment. For purposes of the MFIP program, this includes activities that meet the definition of work activity under the participation requirements of TANF. Work activity includes:

- (1) unsubsidized employment, including work study and paid apprenticeships or internships;
- (2) subsidized private sector or public sector employment, including grant diversion as specified in section 256J.69, on-the-job training as specified in section 256J.66, the self-employment investment demonstration program (SEID) as specified in section 256J.65, paid work experience, and supported work when a wage subsidy is provided;
- (3) unpaid work experience, including community service, volunteer work, the community work experience program as specified in section 256J.67, unpaid apprenticeships or internships, and supported work when a wage subsidy is not provided. Unpaid work experience is only an option if the participant has been unable to obtain or maintain paid employment in the competitive labor market, and no paid work experience programs are available to the participant. Unpaid work experience must not include work on a political campaign. Unless a participant consents to participating in unpaid work experience, the participant's employment plan may only include unpaid work experience if including the unpaid work experience in the plan will meet the following criteria:
 - (i) the unpaid work experience will provide the participant specific skills or experience that cannot be obtained through other work activity options where the participant resides or is willing to reside; and
 - (ii) the skills or experience gained through the unpaid work experience will result in higher wages for the participant than the participant could earn without the unpaid work experience;
- (4) job search including job readiness assistance, job clubs, job placement, job-related counseling, and job retention services;
- (5) job readiness education, including English as a second language (ESL) or functional work literacy classes as limited by the provisions of section 256J.531, subdivision 2, general educational development (GED) course work, high school completion, and adult basic education as limited by the provisions of section 256J.531, subdivision 1;
- (6) job skills training directly related to employment, including education and training that can reasonably be expected to lead to employment, as limited by the provisions of section 256J.53;
- (7) providing child care services to a participant who is working in a community service program;
- (8) activities included in the employment plan that is developed under section 256J.521, subdivision 3; and
- (9) preemployment activities including chemical and mental health assessments, treatment, and services; learning disabilities services; child protective services; family stabilization services; or other programs designed to enhance employability."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

Walker moved to amend the Peppin amendment to H. F. No. 3376, the second engrossment, as amended, as follows:

Page 1, line 21, delete "political" and insert "partisan"

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Peppin amendment, as amended, and the roll was called. There were 88 yeas and 43 nays as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Hamilton	Kranz	Olson	Shimanski
Anderson, B.	Dittrich	Hansen	Lanning	Otremba	Simon
Anderson, S.	Doty	Haws	Lenczewski	Ozment	Simpson
Benson	Drazkowski	Heidgerken	Liebling	Paulsen	Smith
Berns	Eastlund	Hilstrom	Lieder	Pelowski	Swails
Bigham	Eken	Holberg	Lillie	Peppin	Tingelstad
Bly	Emmer	Hoppe	Magnus	Peterson, A.	Urdahl
Brod	Erhardt	Hortman	Marquart	Peterson, N.	Ward
Brown	Erickson	Hosch	McFarlane	Peterson, S.	Wardlow
Buesgens	Finstad	Howes	McNamara	Poppe	Welti
Bunn	Fritz	Juhnke	Morgan	Ruth	Westrom
Cornish	Garofalo	Kalin	Morrow	Ruud	Wollschlager
Dean	Gottwalt	Knuth	Nornes	Sailer	Zellers
DeLaForest	Gunther	Koenen	Norton	Seifert	
Demmer	Hackbarth	Kohls	Olin	Severson	

Those who voted in the negative were:

Anzelc	Faust	Kahn	Moe	Slawik	Walker
Atkins	Gardner	Laine	Mullery	Slocum	Winkler
Brynaert	Greiling	Lesch	Murphy, E.	Solberg	Spk. Kelliher
Carlson	Hausman	Loeffler	Murphy, M.	Thao	
Clark	Hilty	Madore	Nelson	Thissen	
Davnie	Huntley	Mahoney	Paymar	Tillberry	
Dill	Jaros	Mariani	Rukavina	Tschumper	
Dominguez	Johnson	Masin	Sertich	Wagenius	

The motion prevailed and the amendment, as amended, was adopted.

CALL OF THE HOUSE LIFTED

Sertich moved that the call of the House be lifted. The motion prevailed and it was so ordered.

Gottwalt moved to amend H. F. No. 3376, the second engrossment, as amended, as follows:

Page 6, delete section 4

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Gottwalt amendment and the roll was called. There were 88 yeas and 42 nays as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Hamilton	Liebling	Otremba	Simpson
Anderson, B.	Doty	Haws	Lieder	Ozment	Smith
Anderson, S.	Drazkowski	Heidgerken	Lillie	Paulsen	Solberg
Atkins	Eastlund	Hilstrom	Magnus	Pelowski	Thissen
Benson	Eken	Holberg	Mahoney	Peppin	Tillberry
Berns	Emmer	Hoppe	Marquart	Peterson, A.	Tingelstad
Bigham	Erhardt	Hosch	McFarlane	Peterson, N.	Tschumper
Brod	Erickson	Howes	McNamara	Peterson, S.	Urdahl
Brown	Faust	Juhnke	Morgan	Poppe	Wardlow
Brynaert	Finstad	Kalin	Morrow	Ruth	Welti
Buesgens	Garofalo	Koenen	Mullery	Sailer	Westrom
Cornish	Gottwalt	Kohls	Murphy, M.	Seifert	Wollschlager
Dean	Greiling	Kranz	Nornes	Severson	Zellers
DeLaForest	Gunther	Lanning	Olin	Shimanski	
Demmer	Hackbarth	Lesch	Olson	Simon	

Those who voted in the negative were:

Anzelc	Dominguez	Huntley	Loeffler	Norton	Swails
Bly	Fritz	Jaros	Madore	Paymar	Thao
Bunn	Gardner	Johnson	Mariani	Rukavina	Wagenius
Carlson	Hansen	Kahn	Masin	Ruud	Walker
Clark	Hausman	Knuth	Moe	Sertich	Ward
Davnie	Hilty	Laine	Murphy, E.	Slawik	Winkler
Dittrich	Hortman	Lenczewski	Nelson	Slocum	Spk. Kelliher

The motion prevailed and the amendment was adopted.

H. F. No. 3376, A bill for an act relating to human services; amending the MFIP work participation program; changing child care assistance provisions; changing the child care assistance sliding fee scale; establishing a child care advisory task force; requiring a mandated report; making technical changes; amending Minnesota Statutes 2006, sections 119B.011, subdivision 17; 119B.03, subdivisions 1, 6; 119B.09, subdivisions 1, 9; 119B.125, by adding a subdivision; 119B.21, subdivision 10; 256E.30, subdivision 1; 256E.35, subdivision 7; 256J.24, subdivision 5; 256J.39, by adding a subdivision; 256J.425, subdivision 1; 256J.521, subdivision 4; 256J.54, subdivisions 2, 5; 256J.545; Minnesota Statutes 2007 Supplement, sections 119B.12; 119B.125, subdivision 2;

119B.13, subdivisions 1, 7; 119B.21, subdivision 5; 119B.231, subdivision 5; 245C.08, subdivision 2; 256E.35, subdivision 2; 256J.20, subdivision 3; 256J.49, subdivision 13; 256J.626, subdivisions 3, 7; 256J.95, subdivision 3; repealing Minnesota Statutes 2006, section 256K.25.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 104 yeas and 27 nays as follows:

Those who voted in the affirmative were:

Abeler	Eken	Jaros	Mahoney	Paymar	Thissen
Anzelc	Erhardt	Johnson	Mariani	Pelowski	Tillberry
Atkins	Faust	Juhnke	Marquart	Peterson, A.	Tingelstad
Benson	Fritz	Kahn	Masin	Peterson, N.	Tschumper
Bigham	Gardner	Kalin	McFarlane	Peterson, S.	Urdahl
Bly	Gottwalt	Knuth	McNamara	Poppe	Wagenius
Brown	Greiling	Koenen	Moe	Rukavina	Walker
Brynaert	Gunther	Kranz	Morgan	Ruth	Ward
Bunn	Hamilton	Laine	Morrow	Ruud	Wardlow
Carlson	Hansen	Lanning	Mullery	Sailer	Welti
Clark	Hausman	Lenczewski	Murphy, E.	Sertich	Westrom
Cornish	Haws	Lesch	Murphy, M.	Severson	Winkler
Davnie	Heidgerken	Liebling	Nelson	Simon	Wollschlager
Demmer	Hilstrom	Lieder	Nornes	Slawik	Spk. Kelliher
Dill	Hilty	Lillie	Norton	Slocum	
Dittrich	Hortman	Loeffler	Olin	Solberg	
Dominguez	Hosch	Madore	Otremba	Swails	
Doty	Huntley	Magnus	Ozment	Thao	

Those who voted in the negative were:

Anderson, B.	Dean	Emmer	Holberg	Paulsen	Smith
Anderson, S.	DeLaForest	Erickson	Hoppe	Peppin	Zellers
Berns	Dettmer	Finstad	Howes	Seifert	
Brod	Drazkowski	Garofalo	Kohls	Shimanski	
Buesgens	Eastlund	Hackbarth	Olson	Simpson	

The bill was passed, as amended, and its title agreed to.

S. F. No. 3001 was reported to the House.

Mariani moved to amend S. F. No. 3001, the fourth engrossment, as follows:

Delete everything after the enacting clause and insert the following language of H. F. No. 3316, the second engrossment:

"ARTICLE 1

GENERAL EDUCATION

Section 1. Minnesota Statutes 2006, section 123B.14, subdivision 7, is amended to read:

Subd. 7. **Clerk records.** The clerk shall keep a record of all meetings of the district and the board in books provided by the district for that purpose. The clerk shall, within three days after an election, notify all persons elected of their election. By ~~August~~ September 15 of each year the clerk shall file with the board a report of the revenues, expenditures and balances in each fund for the preceding fiscal year. The report together with vouchers and supporting documents shall subsequently be examined by a public accountant or the state auditor, either of whom shall be paid by the district, as provided in section 123B.77, subdivision 3. The board shall by resolution approve the report or require a further or amended report. By ~~August~~ September 15 of each year, the clerk shall make and transmit to the commissioner certified reports, showing:

~~(1) The condition and value of school property;~~

~~(2)~~ (1) The revenues and expenditures in detail, and such other financial information required by law, rule, or as may be called for by the commissioner;

~~(3)~~ (2) The length of school term and the enrollment and attendance by grades; and

~~(4)~~ (3) Such other items of information as may be called for by the commissioner.

The clerk shall enter in the clerk's record book copies of all reports and of the teachers' term reports, as they appear in the registers, and of the proceedings of any meeting as furnished by the clerk pro tem, and keep an itemized account of all the expenses of the district. The clerk shall furnish to the auditor of the proper county, by ~~October 10~~ September 30 of each year, an attested copy of the clerk's record, showing the amount of ~~money~~ proposed property taxes voted by the district or the board for school purposes; draw and sign all orders upon the treasurer for the payment of money for bills allowed by the board for salaries of officers and for teachers' wages and all claims, to be countersigned by the chair. Such orders must state the consideration, payee, and the fund and the clerk shall take a receipt therefor. Teachers' wages shall have preference in the order in which they become due, and no money applicable for teachers' wages shall be used for any other purpose, nor shall teachers' wages be paid from any fund except that raised or apportioned for that purpose.

Sec. 2. Minnesota Statutes 2006, section 123B.77, subdivision 3, is amended to read:

Subd. 3. **Statement for comparison and correction.** (a) By November 30 of the calendar year of the submission of the unaudited financial data, the district must provide to the commissioner audited financial data for the preceding fiscal year. The audit must be conducted in compliance with generally accepted governmental auditing standards, the federal Single Audit Act, and the Minnesota legal compliance guide issued by the Office of the State Auditor. An audited financial statement prepared in a form which will allow comparison with and correction of material differences in the unaudited financial data shall be submitted to the commissioner and the state auditor by December 31. The audited financial statement must also provide a statement of assurance pertaining to uniform financial accounting and reporting standards compliance and a copy of the management letter submitted to the district by the school district's auditor.

(b) By ~~January~~ February 15 of the calendar year following the submission of the unaudited financial data, the commissioner shall convert the audited financial data required by this subdivision into the consolidated financial statement format required under subdivision 1a and publish the information on the department's Web site.

Sec. 3. Minnesota Statutes 2006, section 123B.81, subdivision 3, is amended to read:

Subd. 3. **Debt verification.** The commissioner shall establish a uniform auditing or other verification procedure for districts to determine whether a statutory operating debt exists in any Minnesota school district ~~as of June 30, 1977. This procedure must identify all interfund transfers made during fiscal year 1977 from a fund included in computing statutory operating debt to a fund not included in computing statutory operating debt.~~ The standards for

this uniform auditing or verification procedure must be promulgated by the state board pursuant to chapter 14. If a district applies to the commissioner for a statutory operating debt verification ~~or if the unaudited financial statement for the school year ending June 30, 1977 reveals that a statutory operating debt might exist~~, the commissioner shall require a verification of the amount of the statutory operating debt which actually does exist.

Sec. 4. Minnesota Statutes 2007 Supplement, section 123B.81, subdivision 4, is amended to read:

Subd. 4. **Debt elimination.** If an audit or other verification procedure conducted pursuant to subdivision 3 determines that a statutory operating debt exists, a district must follow the procedures set forth in ~~this~~ section 123B.83 to eliminate this statutory operating debt.

Sec. 5. Minnesota Statutes 2006, section 123B.81, subdivision 5, is amended to read:

Subd. 5. **Certification of debt.** The commissioner shall certify the amount of statutory operating debt for each district. ~~Prior to June 30, 1979, the commissioner may, on the basis of corrected figures, adjust the total amount of statutory operating debt certified for any district.~~

Sec. 6. Minnesota Statutes 2006, section 123B.83, subdivision 3, is amended to read:

Subd. 3. **Failure to limit expenditures.** If a district does not limit its expenditures in accordance with this section, the commissioner may so notify the appropriate committees of the legislature by no later than ~~January 1~~ February 15 of the year following the end of that fiscal year.

Sec. 7. Minnesota Statutes 2007 Supplement, section 126C.10, subdivision 34, is amended to read:

Subd. 34. **Basic alternative teacher compensation aid.** (a) For fiscal years 2007 ~~and later~~, 2008, and 2009, the basic alternative teacher compensation aid for a school district with a plan approved under section 122A.414, subdivision 2b, equals ~~65~~ 73.1 percent of the alternative teacher compensation revenue under section 122A.415, subdivision 1. The basic alternative teacher compensation aid for an intermediate school district or charter school with a plan approved under section 122A.414, subdivisions 2a and 2b, if the recipient is a charter school, equals \$260 times the number of pupils enrolled in the school on October 1 of the previous fiscal year, or on October 1 of the current fiscal year for a charter school in the first year of operation, times the ratio of the sum of the alternative teacher compensation aid and alternative teacher compensation levy for all participating school districts to the maximum alternative teacher compensation revenue for those districts under section 122A.415, subdivision 1.

(b) For fiscal years 2010 and later, the basic alternative teacher compensation aid for a school district with a plan approved under section 122A.414, subdivision 2b, equals 65 percent of the alternative teacher compensation revenue under section 122A.415, subdivision 1. The basic alternative teacher compensation aid for an intermediate school district or charter school with a plan approved under section 122A.414, subdivisions 2a and 2b, if the recipient is a charter school, equals \$260 times the number of pupils enrolled in the school on October 1 of the previous fiscal year, or on October 1 of the current fiscal year for a charter school in the first year of operation, times the ratio of the sum of the alternative teacher compensation aid and alternative teacher compensation levy for all participating school districts to the maximum alternative teacher compensation revenue for those districts under section 122A.415, subdivision 1.

~~(b)~~ (c) Notwithstanding paragraphs (a) and (b) and section 122A.415, subdivision 1, the state total basic alternative teacher compensation aid entitlement must not exceed \$75,636,000 for fiscal year 2007 and later. The commissioner must limit the amount of alternative teacher compensation aid approved under section 122A.415 so as not to exceed these limits.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 8. Minnesota Statutes 2006, section 126C.40, subdivision 6, is amended to read:

Subd. 6. **Lease purchase; installment buys.** (a) Upon application to, and approval by, the commissioner in accordance with the procedures and limits in subdivision 1, paragraphs (a) and (b), a district, as defined in this subdivision, may:

(1) purchase real or personal property under an installment contract or may lease real or personal property with an option to purchase under a lease purchase agreement, by which installment contract or lease purchase agreement title is kept by the seller or vendor or assigned to a third party as security for the purchase price, including interest, if any; and

(2) annually levy the amounts necessary to pay the district's obligations under the installment contract or lease purchase agreement.

(b) The obligation created by the installment contract or the lease purchase agreement must not be included in the calculation of net debt for purposes of section 475.53, and does not constitute debt under other law. An election is not required in connection with the execution of the installment contract or the lease purchase agreement.

(c) The proceeds of the levy authorized by this subdivision must not be used to acquire a facility to be primarily used for athletic or school administration purposes.

(d) For the purposes of this subdivision, "district" means:

(1) a racially isolated school district or a school district with a racially identifiable school required to have a comprehensive desegregation or integration plan for the elimination of segregation under Minnesota Rules, parts 3535.0100 to 3535.0180, which is eligible for revenue under section 124D.86, subdivision 3, clause (1), (2), or (3), and whose plan has been determined by the commissioner to be in compliance with Department of Education rules relating to equality of educational opportunity and school desegregation and, for a district eligible for revenue under section 124D.86, subdivision 3, clause (4) or (5), where the acquisition of property under this subdivision is determined by the commissioner to contribute to the implementation of the desegregation plan; or

(2) a school district that participates in a joint program for interdistrict desegregation with a district defined in clause (1) if the facility acquired under this subdivision is to be primarily used for the joint program and the commissioner determines that the joint programs are being undertaken to implement the districts' desegregation plan.

(e) Notwithstanding subdivision 1, the prohibition against a levy by a district to lease or rent a district-owned building to itself does not apply to levies otherwise authorized by this subdivision.

(f) For the purposes of this subdivision, any references in subdivision 1 to building or land shall include personal property.

Sec. 9. Minnesota Statutes 2007 Supplement, section 127A.49, subdivision 2, is amended to read:

Subd. 2. **Abatements.** Whenever by virtue of chapter 278, sections 270C.86, 375.192, or otherwise, the net tax capacity or referendum market value of any district for any taxable year is changed after the taxes for that year have been spread by the county auditor and the local tax rate as determined by the county auditor based upon the original net tax capacity is applied upon the changed net tax capacities, the county auditor shall, prior to February 1 of each year, certify to the commissioner of education the amount of any resulting net revenue loss that accrued to the

district during the preceding year. Each year, the commissioner shall pay an abatement adjustment to the district in an amount calculated according to the provisions of this subdivision. This amount shall be deducted from the amount of the levy authorized by section 126C.46. The amount of the abatement adjustment must be the product of:

(1) the net revenue loss as certified by the county auditor, times

(2) the ratio of:

(i) the sum of the amounts of the district's certified levy in the third preceding year according to the following:

(A) section 123B.57, if the district received health and safety aid according to that section for the second preceding year;

(B) section 124D.20, if the district received aid for community education programs according to that section for the second preceding year;

(C) section 124D.135, subdivision 3, if the district received early childhood family education aid according to section 124D.135 for the second preceding year;

(D) section 126C.17, subdivision 6, if the district received referendum equalization aid according to that section for the second preceding year;

~~(E) section 126C.13, if the district received general education aid according to section 126C.13, subdivision 4, paragraph (b), clause (1), of that section in the second preceding year;~~

~~(F)~~ (E) section 126C.10, subdivision 13a, if the district received operating capital aid according to section 126C.10, subdivision 13b, in the second preceding year;

~~(G)~~ (F) section 126C.10, subdivision 29, if the district received equity aid according to section 126C.10, subdivision 30, in the second preceding year;

~~(H)~~ (G) section 126C.10, subdivision 32, if the district received transition aid according to section 126C.10, subdivision 33, in the second preceding year;

~~(I)~~ (H) section 123B.53, subdivision 5, if the district received debt service equalization aid according to section 123B.53, subdivision 6, in the second preceding year;

~~(J)~~ (I) section 124D.22, subdivision 3, if the district received school-age care aid according to section 124D.22, subdivision 4, in the second preceding year;

~~(K)~~ (J) section 123B.591, subdivision 3, if the district received deferred maintenance aid according to section 123B.591, subdivision 4, in the second preceding year; and

~~(L)~~ (K) section 126C.10, subdivision 35, if the district received alternative teacher compensation equalization aid according to section 126C.10, subdivision 36, paragraph (a), in the second preceding year; to

(ii) the total amount of the district's certified levy in the third preceding December, plus or minus auditor's adjustments.

Sec. 10. Minnesota Statutes 2007 Supplement, section 127A.49, subdivision 3, is amended to read:

Subd. 3. **Excess tax increment.** (a) If a return of excess tax increment is made to a district pursuant to sections 469.176, subdivision 2, and 469.177, subdivision 9, or upon decertification of a tax increment district, the school district's aid and levy limitations must be adjusted for the fiscal year in which the excess tax increment is paid under the provisions of this subdivision.

(b) An amount must be subtracted from the district's aid for the current fiscal year equal to the product of:

(1) the amount of the payment of excess tax increment to the district, times

(2) the ratio of:

(i) the sum of the amounts of the district's certified levy for the fiscal year in which the excess tax increment is paid according to the following:

(A) section 123B.57, if the district received health and safety aid according to that section for the second preceding year;

(B) section 124D.20, if the district received aid for community education programs according to that section for the second preceding year;

(C) section 124D.135, subdivision 3, if the district received early childhood family education aid according to section 124D.135 for the second preceding year;

(D) section 126C.17, subdivision 6, if the district received referendum equalization aid according to that section for the second preceding year;

~~(E) section 126C.13, if the district received general education aid according to section 126C.13, subdivision 4, paragraph (b), clause (1), of that section in the second preceding year;~~

~~(F)~~ (E) section 126C.10, subdivision 13a, if the district received operating capital aid according to section 126C.10, subdivision 13b, in the second preceding year;

~~(G)~~ (F) section 126C.10, subdivision 29, if the district received equity aid according to section 126C.10, subdivision 30, in the second preceding year;

~~(H)~~ (G) section 126C.10, subdivision 32, if the district received transition aid according to section 126C.10, subdivision 33, in the second preceding year;

~~(I)~~ (H) section 123B.53, subdivision 5, if the district received debt service equalization aid according to section 123B.53, subdivision 6, in the second preceding year;

~~(J)~~ (I) section 124D.22, subdivision 3, if the district received school-age care aid according to section 124D.22, subdivision 4, in the second preceding year;

~~(K)~~ (J) section 123B.591, subdivision 3, if the district received deferred maintenance aid according to section 123B.591, subdivision 4, in the second preceding year; and

~~(L)~~ (K) section 126C.10, subdivision 35, if the district received alternative teacher compensation equalization aid according to section 126C.10, subdivision 36, paragraph (a), in the second preceding year; to

(ii) the total amount of the district's certified levy for the fiscal year, plus or minus auditor's adjustments.

(c) An amount must be subtracted from the school district's levy limitation for the next levy certified equal to the difference between:

(1) the amount of the distribution of excess increment; and

(2) the amount subtracted from aid pursuant to clause (a).

If the aid and levy reductions required by this subdivision cannot be made to the aid for the fiscal year specified or to the levy specified, the reductions must be made from aid for subsequent fiscal years, and from subsequent levies. The school district must use the payment of excess tax increment to replace the aid and levy revenue reduced under this subdivision.

(d) This subdivision applies only to the total amount of excess increments received by a district for a calendar year that exceeds \$25,000.

ARTICLE 2

EDUCATION EXCELLENCE

Section 1. Minnesota Statutes 2006, section 13.32, is amended by adding a subdivision to read:

Subd. 11. Data to improve instruction. The Minnesota Department of Education and the Minnesota Office of Higher Education may each share educational data with the other agency for the purpose of analyzing and improving school district instruction, consistent with Code of Federal Regulations, title 34, section 99.31(a)(6). The educational data that may be shared between the two agencies under this subdivision must be limited to:

(1) student attendance data that include the name of the school or institution, school district, the year or term of attendance, and term type;

(2) student demographic and enrollment data;

(3) student academic performance and testing data; and

(4) any special academic services provided to a student.

Any analysis of or report on these data must contain only summary data.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. Minnesota Statutes 2006, section 120B.02, is amended to read:

120B.02 EDUCATIONAL EXPECTATIONS FOR MINNESOTA'S STUDENTS.

(a) The legislature is committed to establishing rigorous academic standards for Minnesota's public school students. To that end, the commissioner shall adopt in rule statewide academic standards. The commissioner shall not prescribe in rule or otherwise the delivery system, classroom assessments, or form of instruction that school sites must use. For purposes of this chapter, a school site is a separate facility, or a separate program within a facility that a local school board recognizes as a school site for funding purposes.

(b) All commissioner actions regarding the rule must be premised on the following:

(1) the rule is intended to raise academic expectations for students, teachers, and schools;

(2) any state action regarding the rule must evidence consideration of school district autonomy; and

(3) the Department of Education, with the assistance of school districts, must make available information about all state initiatives related to the rule to students and parents, teachers, and the general public in a timely format that is appropriate, comprehensive, and readily understandable.

(c) When fully implemented, the requirements for high school graduation in Minnesota must require students to satisfactorily complete, as determined by the school district, the course credit requirements under section 120B.024 and: successfully pass graduation examinations required under section 120B.30.

~~(1) for students enrolled in grade 8 before the 2005-2006 school year, to pass the basic skills test requirements; and~~

~~(2) for students enrolled in grade 8 in the 2005-2006 school year and later, to pass the Minnesota Comprehensive Assessments Second Edition (MCA II's).~~

(d) The commissioner shall periodically review and report on the state's assessment process.

(e) School districts are not required to adopt specific provisions of the federal School-to-Work programs.

Sec. 3. Minnesota Statutes 2007 Supplement, section 120B.021, subdivision 1, is amended to read:

Subdivision 1. **Required academic standards.** The following subject areas are required for statewide accountability:

(1) language arts;

(2) mathematics;

(3) science;

(4) social studies, including history, geography, economics, and government and citizenship;

(5) health and physical education, for which locally developed academic standards apply; and

(6) the arts, for which statewide or locally developed academic standards apply, as determined by the school district. Public elementary and middle schools must offer at least three and require at least two of the following four arts areas: dance; music; theater; and visual arts. Public high schools must offer at least three and require at least one of the following five arts areas: media arts; dance; music; theater; and visual arts.

The commissioner must submit proposed standards in science and social studies to the legislature by February 1, 2004.

For purposes of applicable federal law, the academic standards for language arts, mathematics, and science apply to all public school students, ~~except the very few students with extreme cognitive or physical impairments for whom an individualized education plan team has determined that the required academic standards are inappropriate. An individualized education plan team that makes this determination must establish alternative standards with appropriate alternate achievement standards based on these academic standards for students with individualized education plans.~~

A school district, no later than the 2007-2008 school year, must adopt graduation requirements that meet or exceed state graduation requirements established in law or rule. A school district that incorporates these state graduation requirements before the 2007-2008 school year must provide students who enter the 9th grade in or before the 2003-2004 school year the opportunity to earn a diploma based on existing locally established graduation requirements in effect when the students entered the 9th grade. District efforts to develop, implement, or improve instruction or curriculum as a result of the provisions of this section must be consistent with sections 120B.10, 120B.11, and 120B.20.

The commissioner must include the contributions of Minnesota American Indian tribes and communities as they relate to the academic standards during the review and revision of the required academic standards.

Sec. 4. Minnesota Statutes 2006, section 120B.023, subdivision 2, is amended to read:

Subd. 2. **Revisions and reviews required.** (a) The commissioner of education must revise and appropriately embed technology and information literacy standards consistent with recommendations from school media specialists into the state's academic standards and graduation requirements and implement a review cycle for state academic standards and related benchmarks, consistent with this subdivision. During each review cycle, the commissioner also must examine the alignment of each required academic standard and related benchmark with the knowledge and skills students need for college readiness and advanced work in the particular subject area.

(b) The commissioner in the 2006-2007 school year must revise and align the state's academic standards and high school graduation requirements in mathematics to require that students satisfactorily complete the revised mathematics standards, beginning in the 2010-2011 school year. Under the revised standards:

(1) students must satisfactorily complete an algebra I credit by the end of eighth grade; and

(2) students scheduled to graduate in the 2014-2015 school year or later must satisfactorily complete an algebra II credit or its equivalent.

The commissioner also must ensure that the statewide mathematics assessments administered to students in grades 3 through 8 ~~and 11~~ beginning in the 2010-2011 school year are aligned with the state academic standards in mathematics. ~~The commissioner must ensure that the statewide 11th grade mathematics test assessment administered to students under clause (2) in grade 11 beginning in the 2013-2014 school year must include is aligned with state academic standards in mathematics, including algebra II test items that are aligned with corresponding state academic standards in mathematics.~~ The commissioner must implement a review of the academic standards and related benchmarks in mathematics beginning in the 2015-2016 school year.

(c) The commissioner in the 2007-2008 school year must revise and align the state's academic standards and high school graduation requirements in the arts to require that students satisfactorily complete the revised arts standards beginning in the 2010-2011 school year. The commissioner must implement a review of the academic standards and related benchmarks in arts beginning in the 2016-2017 school year.

(d) The commissioner in the 2008-2009 school year must revise and align the state's academic standards and high school graduation requirements in science to require that students satisfactorily complete the revised science standards, beginning in the 2011-2012 school year. The commissioner also must ensure that the statewide science assessments administered to students under section 120B.30, subdivision 1a, beginning in the 2011-2012 school year, are aligned with the state academic standards in science. Under the revised standards, students scheduled to graduate in the 2014-2015 school year or later must satisfactorily complete a chemistry or physics credit. The commissioner must implement a review of the academic standards and related benchmarks in science beginning in the 2017-2018 school year.

(e) The commissioner in the 2009-2010 school year must revise and align the state's academic standards and high school graduation requirements in language arts to require that students satisfactorily complete the revised language arts standards beginning in the 2012-2013 school year. The commissioner also must ensure that the statewide language arts assessments administered to students in grades 3 through 8 and grade 10 beginning in the 2012-2013 school year are aligned with the state academic standards in language arts. The commissioner must implement a review of the academic standards and related benchmarks in language arts beginning in the 2018-2019 school year.

(f) The commissioner in the 2010-2011 school year must revise and align the state's academic standards and high school graduation requirements in social studies to require that students satisfactorily complete the revised social studies standards beginning in the 2013-2014 school year. The commissioner must implement a review of the academic standards and related benchmarks in social studies beginning in the 2019-2020 school year.

(g) School districts and charter schools must revise and align local academic standards and high school graduation requirements in health, physical education, world languages, and career and technical education to require students to complete the revised standards beginning in a school year determined by the school district or charter school. School districts and charter schools must formally establish a periodic review cycle for the academic standards and related benchmarks in health, physical education, world languages, and career and technical education.

Sec. 5. Minnesota Statutes 2006, section 120B.131, subdivision 2, is amended to read:

Subd. 2. **Reimbursement for examination fees.** The state may reimburse college-level examination program (CLEP) fees for a Minnesota public or nonpublic high school student who has successfully completed one or more college-level courses in high school in the subject matter of each examination in the following subjects: composition and literature, mathematics and science, social sciences and history, foreign languages, and business and humanities. ~~The state may reimburse each student for up to six examination fees.~~ The commissioner shall establish application procedures and a process and schedule for fee reimbursements. The commissioner must give priority to reimburse the CLEP examination fees of students of low-income families.

Sec. 6. Minnesota Statutes 2007 Supplement, section 120B.15, is amended to read:

120B.15 GIFTED AND TALENTED STUDENTS PROGRAMS.

(a) School districts may identify students, locally develop programs, provide staff development, and evaluate programs to provide gifted and talented students with challenging educational programs.

(b) School districts may adopt guidelines for assessing and identifying students for participation in gifted and talented programs. The guidelines should include the use of:

- (1) multiple and objective criteria; ~~and~~
- (2) assessments and procedures that are valid and reliable, fair, and based on current theory and research; and
- (3) an identification appeals process.

(c) School districts must adopt procedures for the academic acceleration of gifted and talented students. These procedures must include how the district will:

- (1) assess a student's readiness and motivation for acceleration; and

(2) match the level, complexity, and pace of the curriculum to a student to achieve the best type of academic acceleration for that student.

Sec. 7. **[120B.299] DEFINITIONS.**

Subdivision 1. Definitions. The definitions in this section apply to this chapter.

Subd. 2. Growth. "Growth" compares the difference between a student's achievement score at two distinct points in time.

Subd. 3. Value-added. "Value-added" is the amount of achievement a student demonstrates above an established baseline.

Subd. 4. Growth-based value-added. "Growth-based value-added" is a value-added system of assessments that measures the difference between an established baseline of growth and a student's growth over time.

Subd. 5. Adequate yearly progress. "Adequate yearly progress" compares the average achievement of two different groups of students at two different points in time.

Subd. 6. State growth norm. "State growth norm" is an established statewide percentile or standard applicable to all students in a particular grade benchmarked to an established school year. Beginning in the 2008-2009 school year, the state growth norm is benchmarked to 2006-2007 school year data until the commissioner next changes the vertically linked scale score. Each time the commissioner changes the vertically linked scale score, a recognized Minnesota assessment group composed of assessment and evaluation directors and staff and researchers, in collaboration with the Independent Office of Educational Accountability under section 120B.31, subdivision 3, must recommend a new state growth norm that the commissioner must consider when revising standards under section 120B.023, subdivision 2. For each newly established state growth norm, the commissioner also must establish criteria for identifying schools and school districts that demonstrate accelerated growth in order to advance educators' professional development and to replicate programs that succeed in meeting students' diverse learning needs.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 8. Minnesota Statutes 2007 Supplement, section 120B.30, is amended to read:

120B.30 STATEWIDE TESTING AND REPORTING SYSTEM.

Subdivision 1. Statewide testing. (a) The commissioner, with advice from experts with appropriate technical qualifications and experience and stakeholders, consistent with subdivision 1a, shall include in the comprehensive assessment system, for each grade level to be tested, state-constructed tests developed from and aligned with the state's required academic standards under section 120B.021 and administered annually to all students in grades 3 through 8 and at the high school level. A state-developed test in a subject other than writing, ~~developed after the 2002-2003 school year,~~ must include both machine-scoreable and constructed response questions. The commissioner shall establish one or more months during which schools shall administer the tests to students each school year. Schools that the commissioner identifies for stand-alone field testing or other national sampling must participate as directed. Superintendents or charter school directors may appeal in writing to the commissioner for an exemption from a field test based on undue hardship. The commissioner's decision regarding the appeal is final. For students enrolled in grade 8 before the 2005-2006 school year, only Minnesota basic skills tests in reading, mathematics, and writing shall fulfill students' basic skills testing requirements for a passing state notation. The passing scores of basic skills tests in reading and mathematics are the equivalent of 75 percent correct for students entering grade 9 ~~in 1997 and thereafter, as based on the first uniform test administration of~~ administered in February 1998.

(b) For students enrolled in grade 8 in the 2005-2006 school year and later, only the following options shall fulfill students' state graduation test requirements:

(1) for reading and mathematics:

(i) obtaining an achievement level equivalent to or greater than proficient as determined through a standard setting process on the Minnesota comprehensive assessments in grade 10 for reading and grade 11 for mathematics or achieving a passing score as determined through a standard setting process on the graduation-required assessment for diploma in grade 10 for reading and grade 11 for mathematics or subsequent retests;

(ii) achieving a passing score as determined through a standard setting process on the state-identified language proficiency test in reading and the mathematics test for English language learners or the graduation-required assessment for diploma equivalent of those assessments for students designated as English language learners;

(iii) achieving an individual passing score on the graduation-required assessment for diploma as determined by appropriate state guidelines for students with an individual education plan or 504 plan;

(iv) obtaining achievement level equivalent to or greater than proficient as determined through a standard setting process on the state-identified alternate assessment or assessments in grade 10 for reading and grade 11 for mathematics for students with an individual education plan; or

(v) achieving an individual passing score on the state-identified alternate assessment or assessments as determined by appropriate state guidelines for students with an individual education plan; and

(2) for writing:

(i) achieving a passing score on the graduation-required assessment for diploma;

(ii) achieving a passing score as determined through a standard setting process on the state-identified language proficiency test in writing for students designated as English language learners;

(iii) achieving an individual passing score on the graduation-required assessment for diploma as determined by appropriate state guidelines for students with an individual education plan or 504 plan; or

(iv) achieving an individual passing score on the state-identified alternate assessment or assessments as determined by appropriate state guidelines for students with an individual education plan.

(c) The 3rd through 8th grade and high school level test results shall be available to districts for diagnostic purposes affecting student learning and district instruction and curriculum, and for establishing educational accountability. The commissioner must disseminate to the public the test results upon receiving those results.

(d) State tests must be constructed and aligned with state academic standards. The commissioner shall determine the testing process and the order of administration ~~shall be determined by the commissioner.~~ The statewide results shall be aggregated at the site and district level, consistent with subdivision 1a.

(e) In addition to the testing and reporting requirements under this section, the commissioner shall include the following components in the statewide public reporting system:

(1) uniform statewide testing of all students in grades 3 through 8 and at the high school level that provides appropriate, technically sound accommodations, alternate assessments, or exemptions consistent with applicable federal law, only with parent or guardian approval, for those very few students for whom the student's individual education plan team under sections 125A.05 and 125A.06 determines that the general statewide test is inappropriate for a student, or for a limited English proficiency student under section 124D.59, subdivision 2;

(2) educational indicators that can be aggregated and compared across school districts and across time on a statewide basis, including average daily attendance, high school graduation rates, and high school drop-out rates by age and grade level;

(3) state results on the American College Test; and

(4) state results from participation in the National Assessment of Educational Progress so that the state can benchmark its performance against the nation and other states, and, where possible, against other countries, and contribute to the national effort to monitor achievement.

Subd. 1a. **Statewide and local assessments; results.** (a) The commissioner must develop reading, mathematics, and science assessments aligned with state academic standards that districts and sites must use to monitor student growth toward achieving those standards. The commissioner must not develop statewide assessments for academic standards in social studies, health and physical education, and the arts. The commissioner must require:

(1) annual reading and mathematics assessments in grades 3 through 8 and at the high school level for the 2005-2006 school year and later; and

(2) annual science assessments in one grade in the grades 3 through 5 span, the grades 6 through 8 span, and a life sciences assessment in the grades ~~4~~ 9 through 12 span for the 2007-2008 school year and later.

(b) The commissioner must ensure that all statewide tests administered to elementary and secondary students measure students' academic knowledge and skills and not students' values, attitudes, and beliefs.

(c) Reporting of assessment results must:

(1) provide timely, useful, and understandable information on the performance of individual students, schools, school districts, and the state;

(2) include, by no later than the 2008-2009 school year, a growth-based value-added ~~component that is in addition to a measure for student achievement growth over time~~ indicator of student achievement under section 120B.35, subdivision 3, paragraph (b); and

(3)(i) for students enrolled in grade 8 before the 2005-2006 school year, determine whether students have met the state's basic skills requirements; and

(ii) for students enrolled in grade 8 in the 2005-2006 school year and later, determine whether students have met the state's academic standards.

(d) Consistent with applicable federal law and subdivision 1, paragraph (d), clause (1), the commissioner must include appropriate, technically sound accommodations or alternative assessments for the very few students with disabilities for whom statewide assessments are inappropriate and for students with limited English proficiency.

(e) A school, school district, and charter school must administer statewide assessments under this section, as the assessments become available, to evaluate student ~~progress in achieving the~~ proficiency in the context of the state's grade level academic standards. If a state assessment is not available, a school, school district, and charter school must determine locally if a student has met the required academic standards. A school, school district, or charter school may use a student's performance on a statewide assessment as one of multiple criteria to determine grade promotion or retention. A school, school district, or charter school may use a high school student's performance on a statewide assessment as a percentage of the student's final grade in a course, or place a student's assessment score on the student's transcript.

Subd. 2. **Department of Education assistance.** The Department of Education shall contract for professional and technical services according to competitive bidding procedures under chapter 16C for purposes of this section.

Subd. 3. **Reporting.** The commissioner shall report test data publicly and to stakeholders, including the performance achievement levels developed from students' unweighted test scores in each tested subject and a listing of demographic factors that strongly correlate with student performance. The commissioner shall also report data that compares performance results among school sites, school districts, Minnesota and other states, and Minnesota and other nations. The commissioner shall disseminate to schools and school districts a more comprehensive report containing testing information that meets local needs for evaluating instruction and curriculum.

Subd. 4. **Access to tests.** The commissioner must adopt and publish a policy to provide public and parental access for review of basic skills tests, Minnesota Comprehensive Assessments, or any other such statewide test and assessment. Upon receiving a written request, the commissioner must make available to parents or guardians a copy of their student's actual responses to the test questions ~~to be reviewed by the parent~~ for their review.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 9. Minnesota Statutes 2006, section 120B.31, as amended by Laws 2007, chapter 146, article 2, section 10, is amended to read:

120B.31 SYSTEM ACCOUNTABILITY AND STATISTICAL ADJUSTMENTS.

Subdivision 1. **Educational accountability and public reporting.** Consistent with the ~~process direction~~ to adopt a ~~results-oriented graduation rule~~ statewide academic standards under section 120B.02, the department, in consultation with education and other system stakeholders, must ~~establish~~ maintain a coordinated and comprehensive system of educational accountability and public reporting that promotes ~~higher~~ greater academic achievement, preparation for higher academic education, preparation for the world of work, citizenship as outlined under sections 120B.021, subdivision 1, clause (4), and 120B.024, paragraph (a), clause (4), and the arts.

Subd. 2. **Statewide testing.** Each school year, all school districts shall give a uniform statewide test to students at specified grades to provide information on the status, needs and performance of Minnesota students.

Subd. 3. **Educational accountability.** (a) The Independent Office of Educational Accountability, as authorized by Laws 1997, First Special Session chapter 4, article 5, section 28, subdivision 2, is established, and shall be funded through the Board of Regents of the University of Minnesota. The office shall advise the education committees of the legislature and the commissioner of education, at least on a biennial basis, on the degree to which the statewide educational accountability and reporting system includes a comprehensive assessment framework that measures school accountability for students achieving the goals described in the state's ~~results-oriented~~ high school graduation rule. The office shall determine and annually report to the legislature whether and how effectively:

(1) the statewide system of educational accountability ~~utilizes~~ uses multiple indicators to provide valid and reliable comparative and contextual data on students, schools, districts, and the state, and if not, recommend ways to improve the accountability reporting system;

(2) the commissioner makes statistical adjustments when reporting student data over time, consistent with clause (4);

(3) the commissioner uses ~~indicators of student achievement growth~~ a growth-based value-added indicator of student achievement over time ~~and a value-added assessment model~~ that estimates the effects of the school and school district on student achievement to measure school performance, consistent with section ~~120B.36, subdivision 4~~ 120B.35, subdivision 3, paragraph (b);

(4) the commissioner makes data available on students who do not pass one or more of the state's required GRAD tests and do not receive a diploma as a consequence, and categorizes these data according to gender, race, eligibility for free or reduced lunch, and English language proficiency; and

(5) the commissioner fulfills the requirements under section 127A.095, subdivision 2.

(b) When the office reviews the statewide educational accountability and reporting system, it shall also consider:

(1) the objectivity and neutrality of the state's educational accountability system; and

(2) the impact of a testing program on school curriculum and student learning.

Subd. 4. **Statistical adjustments; student performance data.** In ~~developing~~ managing policies and assessment processes to hold schools and districts accountable for high levels of academic standards under section 120B.021, the commissioner shall aggregate student data over time to report student performance and growth levels measured at the school, school district, regional, or ~~and~~ statewide level. When collecting and reporting the performance data, the commissioner shall: (1) acknowledge the impact of significant demographic factors such as residential instability, the number of single parent families, parents' level of education, and parents' income level on school outcomes; and (2) organize and report the data so that state and local policy makers can understand the educational implications of changes in districts' demographic profiles over time. Any report the commissioner disseminates containing summary data on student performance must integrate student performance and the demographic factors that strongly correlate with that performance.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 10. Minnesota Statutes 2006, section 120B.35, as amended by Laws 2007, chapter 147, article 8, section 38, is amended to read:

120B.35 STUDENT ACADEMIC ACHIEVEMENT AND PROGRESS GROWTH.

Subdivision 1. ~~Adequate yearly progress of schools and students~~ **School and student indicators of growth and achievement.** The commissioner must ~~develop and implement~~ maintain a system for measuring and reporting academic achievement and individual student progress growth, consistent with the statewide educational accountability and reporting system. ~~The system~~ components of the system must measure the adequate yearly progress of schools and the growth of individual students: students' current achievement in schools under subdivision 2; and individual students' educational progress growth over time under subdivision 3. The system also must include statewide measures of student academic achievement growth that identify schools with high levels of ~~achievement growth~~ achievement growth, and also schools with low levels of achievement growth that need improvement. When determining a school's effect, the data must include both statewide measures of student achievement and, ~~to the~~

~~extent annual tests are administered~~, indicators of achievement growth that take into account a student's prior achievement. Indicators of achievement and prior achievement must be based on highly reliable statewide or districtwide assessments. Indicators that take into account a student's prior achievement must not be used to disregard a school's low achievement or to exclude a school from a program to improve low achievement levels. ~~The commissioner by January 15, 2002, must submit a plan for integrating these components to the chairs of the legislative committees having policy and budgetary responsibilities for elementary and secondary education.~~

Subd. 2. **Expectations for federally mandated student academic achievement.** (a) Each school year, a school district must determine if the student achievement levels at each school site meet ~~state and local~~ federally mandated expectations. If student achievement levels at a school site do not meet ~~state and local~~ federally mandated expectations and the site has not made adequate yearly progress for two consecutive school years, beginning with the 2001-2002 school year, the district must work with the school site to adopt a plan to raise student achievement levels to meet ~~state and local~~ federally mandated expectations. The commissioner of education shall establish student academic achievement levels to comply with this paragraph.

(b) School sites identified as not meeting federally mandated expectations must develop continuous improvement plans in order to meet ~~state and local~~ federally mandated expectations for student academic achievement. The department, at a district's request, must assist the district and the school site in developing a plan to improve student achievement. The plan must include parental involvement components.

(c) The commissioner must:

(1) ~~provide assistance to assist~~ school sites and districts identified as not meeting federally mandated expectations; and

(2) provide technical assistance to schools that integrate student ~~progress~~ measures ~~under subdivision 3~~ in the school continuous improvement plan.

(d) The commissioner shall establish and maintain a continuous improvement Web site designed to make data on every school and district available to parents, teachers, administrators, community members, and the general public.

Subd. 3. **Student ~~progress assessment~~ growth; other state measures.** (a) The ~~state's~~ educational assessment system ~~component~~ measuring individual students' educational ~~progress must be~~ growth is based, ~~to the extent annual tests are administered~~, on indicators of achievement growth that show an individual student's prior achievement. Indicators of achievement and prior achievement ~~must be~~ are based on highly reliable statewide or districtwide assessments.

(b) The commissioner must ~~identify effective models for measuring individual student progress that enable a school district or school site to perform gains based analysis, including evaluating the effects of the teacher, school, and school district on student achievement over time. At least one model must be a "value added" assessment model that reliably estimates those effects for classroom settings where a single teacher teaches multiple subjects to the same group of students, for team teaching arrangements, and for other teaching circumstances. use a growth-based value-added system.~~ The commissioner must apply the state growth norm to students in grades 4 through 8 beginning in the 2008-2009 school year, consistent with section 120B.299, subdivision 6, initially benchmarking the state growth norm to 2006-2007 school year data. The model must allow the user to:

(1) report student growth at and above the state norm; and

(2) for all student categories with a cell size of at least 20, report and compare aggregated and disaggregated state growth data using the nine student categories identified under the federal 2001 No Child Left Behind Act and two student gender categories of male and female, respectively. The model must measure the effects that teacher teams within a grade, teacher teams across an entire grade, the school, and the school district have on student growth.

~~(c) If a district has an accountability plan that includes gains based analysis or "value added" assessment, the commissioner shall, to the extent practicable, incorporate those measures in determining whether the district or school site meets expectations. The department must coordinate with the district in evaluating school sites and continuous improvement plans, consistent with best practices. If a district has an accountability plan that includes other growth-based value-added analysis, the commissioner may, to the extent practicable and consistent with this section, incorporate those measures in determining whether the district or school site shows growth, including accelerated growth.~~

(d) When reporting student performance under section 120B.36, subdivision 1, the commissioner annually, beginning July 1, 2011, must report two core measures indicating the extent to which current high school graduates are being prepared for postsecondary academic and career opportunities:

(1) a preparation measure indicating the number and percentage of high school graduates in the most recent school year who completed course work important to preparing them for postsecondary academic and career opportunities, consistent with the core academic subjects required for admission to Minnesota's public four-year colleges and universities as determined by the Office of Higher Education under chapter 136A; and

(2) a rigorous coursework measure indicating the number and percentage of high school graduates in the most recent school year who successfully completed one or more college-level advanced placement, international baccalaureate, postsecondary enrollment options including concurrent enrollment, other rigorous courses of study under section 120B.021, subdivision 1a, or industry certification courses or programs.

When reporting the core measures under clauses (1) and (2), the commissioner must also analyze and report separate categories of information using the nine student categories identified under the federal 2001 No Child Left Behind Act and two student gender categories of male and female, respectively.

(e) When reporting student performance under section 120B.36, subdivision 1, the commissioner annually, beginning July 1, 2011, must include summary data showing students' average self-reported sense of school safety, engagement in school, and the quality of students' relationship with teachers, administrators, and other students. The commissioner must gather these data consistently from students in grade 4 or 5, in one grade level in grades 6 through 8, and in one grade level in high school, as determined by the commissioner in consultation with recognized and qualified experts.

~~Subd. 4. **Improving schools.** Consistent with the requirements of this section, the commissioner of education must establish a second achievement benchmark to identify improving schools. The commissioner must recommend to annually report to the public and the legislature by February 15, 2002, indicators in addition to the achievement benchmark for identifying improving schools, including an indicator requiring a school to demonstrate ongoing successful use of best teaching practices best practices learned from those schools that demonstrate accelerated growth compared to the state growth norm.~~

The commissioner also must use those learned best practices to provide additional assistance and intervention support to a district or school site that does not meet either federally mandated expectations or the state growth norm.

Subd. 5. Improving graduation rates for students with emotional or behavioral disorders. (a) A district must develop strategies in conjunction with parents of students with emotional or behavioral disorders and the county board responsible for implementing sections 245.487 to 245.4889 to keep students with emotional or behavioral disorders in school, when the district has a drop-out rate for students with an emotional or behavioral disorder in grades 9 through 12 exceeding 25 percent.

(b) A district must develop a plan in conjunction with parents of students with emotional or behavioral disorders and the local mental health authority to increase the graduation rates of students with emotional or behavioral disorders. A district with a drop-out rate for children with an emotional or behavioral disturbance in grades 9 through 12 that is in the top 25 percent of all districts shall submit a plan for review and oversight to the commissioner.

EFFECTIVE DATE. Subdivision 3, paragraph (b), applies to students in the 2009-2010 school year and later. Subdivision 3, paragraph (d), applies to students in the 2010-2011 school year and later. Subdivision 3, paragraph (e), applies to high school students in the 2009-2010 school year and later, and to students in any grades 4 through 8 in the 2010-2011 school year and later, consistent with the commissioner's grade level determinations. Subdivision 4 applies in the 2011-2012 school year and later.

Sec. 11. Minnesota Statutes 2006, section 120B.36, as amended by Laws 2007, chapter 146, article 2, section 11, is amended to read:

120B.36 SCHOOL ACCOUNTABILITY; APPEALS PROCESS.

Subdivision 1. **School performance report cards.** (a) ~~The commissioner shall use objective criteria based on levels of student performance to report at least student academic performance under section 120B.35, subdivision 2, the percentages of students at and above the state growth norm under section 120B.35, subdivision 3, paragraph (b), school safety and student engagement under section 120B.35, subdivision 3, paragraph (e), rigorous coursework under section 120B.35, subdivision 3, paragraph (d), two separate student-to-teacher ratios that clearly indicate the definition of teacher consistent with sections 122A.06 and 122A.15 for purposes of determining these ratios, and staff characteristics excluding salaries, with a value-added component added no later than the 2008-2009 school year student enrollment demographics, district mobility, and extracurricular activities. The report must indicate a school's adequate yearly progress status, and must not set any designations applicable to high- and low-performing schools due solely to adequate yearly progress status.~~ (a) The commissioner shall use objective criteria based on levels of student performance to report at least student academic performance under section 120B.35, subdivision 2, the percentages of students at and above the state growth norm under section 120B.35, subdivision 3, paragraph (b), school safety and student engagement under section 120B.35, subdivision 3, paragraph (e), rigorous coursework under section 120B.35, subdivision 3, paragraph (d), two separate student-to-teacher ratios that clearly indicate the definition of teacher consistent with sections 122A.06 and 122A.15 for purposes of determining these ratios, and staff characteristics excluding salaries, with a value-added component added no later than the 2008-2009 school year student enrollment demographics, district mobility, and extracurricular activities. The report must indicate a school's adequate yearly progress status, and must not set any designations applicable to high- and low-performing schools due solely to adequate yearly progress status.

(b) The commissioner shall develop, annually update, and post on the department Web site school performance report cards.

(c) The commissioner must make available the first performance report cards by November 2003, and during the beginning of each school year thereafter.

(d) A school or district may appeal its adequate yearly progress or other status determination in writing to the commissioner within 30 days of receiving the notice of its status determination. The commissioner must give the affected school or school district notice and the opportunity for a hearing before an appeals advisory committee within 30 days after the commissioner receives the written appeal. The commissioner must notify the school or district of the date, time, and place of the hearing at least 21 days before the hearing date. Within 30 days after the hearing, the appeals advisory committee must submit a written recommendation to the commissioner regarding whether to grant or deny the appeal and include the reasons for its recommendation. The commissioner must finally decide an appeal based on an objective evaluation and must make and transmit to the school or district the commissioner's evaluation and final decision within 15 days of receiving the advisory committee recommendation. The commissioner, after consulting with the appeals advisory committee, may postpone the hearing date under special circumstances. The appeals advisory committee is composed of five members:

- (1) a representative of a statewide professional teachers' organization selected by the organization;
- (2) a representative of a statewide organization of school administrators selected by the organization;
- (3) a representative of a statewide parent and teachers organization selected by the organization;

(4) a representative of a statewide commerce organization having a significant interest in K-12 education selected by the organization; and

(5) a representative of a statewide school boards association selected by the organization.

Membership terms and removal of members are governed by section 15.059, except that the terms are three years. The commissioner may reimburse members for expenses under section 15.059 only if federal funding is available for this purpose. The appeals advisory committee does not expire.

The commissioner must seek the advice of the appeals advisory committee before deciding an appeal. The commissioner's decision to uphold or deny an appeal is final.

(e) School performance report ~~cards~~ card data are nonpublic data under section 13.02, subdivision 9, until not later than ten days after the appeal procedure described in paragraph (d) concludes. The department shall annually post school performance report cards to its public Web site no later than September 1.

Subd. 1a. GRAD test appeals. (a) Consistent with this subdivision, the commissioner must collaborate with high school teachers, high school administrators, parents of high school students, school district assessment directors, higher education faculty with expertise in kindergarten through grade 12 education and assessment, and other interested experts and stakeholders to establish a timely, transparent, and data-based appeals process that allows school districts, at their discretion, to grant a diploma to high school seniors in the 2008-2009, 2009-2010, and 2010-2011 school years who do not receive a passing score on the state reading or math GRAD test.

(b) A high school student in the 2008-2009, 2009-2010, or 2010-2011 school year who does not receive a passing score on the state reading or math GRAD test by April of the student's senior year may appeal to the chief administrator of the high school where the student is enrolled, in the form and manner the commissioner determines, requesting that the school district grant the student a high school diploma without passing the reading or math GRAD test. The high school administrator, in collaboration with teachers and other school staff selected by the administrator, must formally decide whether or not to grant the student a high school diploma based on multiple, well-understood measures of student learning that measurement experts have determined to be valid and reliable and that are available to the educators deciding whether or not to grant the student's request. School district officials must use the data that form the bases of the student appeals under this subdivision, where appropriate, to revise district curriculum to ensure that all students have an equal opportunity to learn and provide appropriate academic intervention and remediation to students who fail to pass the state's reading or math GRAD test.

(c) The commissioner must evaluate the effectiveness and impact of the appeals process and recommend to the legislature by February 1, 2011, whether or not to continue the appeals process under this subdivision. If the commissioner recommends continuing this process, the commissioner also must recommend student performance levels for the state reading and math GRAD tests and the appropriate indicators for school districts to consider in deciding whether or not to grant a diploma to high school seniors who do not receive a passing score on the state reading or math GRAD test.

Subd. 2. Adequate yearly progress data. All data the department receives, collects, or creates for purposes of ~~determining~~ to determine adequate yearly progress designations status under Public Law 107-110, section 1116, set state growth norms, and determine student growth are nonpublic data under section 13.02, subdivision 9, until not later than ten days after the appeal procedure described in subdivision 1, paragraph (d), concludes. Districts must provide parents sufficiently detailed summary data to permit parents to appeal under Public Law 107-110, section 1116(b)(2). The department shall annually post federally mandated adequate yearly progress data and state student growth data to its public Web site no later than September 1.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 12. Minnesota Statutes 2006, section 120B.362, is amended to read:

120B.362 GROWTH-BASED VALUE-ADDED ASSESSMENT PROGRAM.

~~(a) The commissioner of education must implement a growth-based value-added assessment program to assist school districts, public schools, and charter schools in assessing and reporting individual students' growth in academic achievement under section 120B.30, subdivision 1a. The program must use assessments of individual students' academic achievement to make longitudinal comparisons of each student's academic growth over time. School districts, public schools, and charter schools may apply to the commissioner to participate in the initial trial program using a form and in the manner the commissioner prescribes. The commissioner must select program participants from urban, suburban, and rural areas throughout the state.~~

~~(b) The commissioner may issue a request for proposals to contract with an organization that provides a value-added assessment model that reliably estimates school and school district effects on students' academic achievement over time. The model the commissioner selects must accommodate diverse data and must use each student's test data across grades. Data on individual teachers generated under the model are personnel data under section 13.43.~~

~~(c) The contract under paragraph (b) must be consistent with the definition of "best value" under section 16C.02, subdivision 4.~~

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 13. Minnesota Statutes 2006, section 121A.55, is amended to read:

121A.55 POLICIES TO BE ESTABLISHED.

(a) The commissioner of education shall promulgate guidelines to assist each school board. Each school board shall establish uniform criteria for dismissal and adopt written policies and rules to effectuate the purposes of sections 121A.40 to 121A.56. The policies shall emphasize preventing dismissals through early detection of problems and shall be designed to address students' inappropriate behavior from recurring. The policies shall recognize the continuing responsibility of the school for the education of the pupil during the dismissal period. The alternative educational services, if the pupil wishes to take advantage of them, must be adequate to allow the pupil to make progress towards meeting the graduation standards adopted under section 120B.02 and help prepare the pupil for readmission.

(b) An area learning center under section 123A.05 may not prohibit an expelled or excluded pupil from enrolling solely because a district expelled or excluded the pupil. The board of the area learning center may use the provisions of the Pupil Fair Dismissal Act to exclude a pupil or to require an admission plan.

(c) Each school district shall develop a policy and report it to the commissioner on the appropriate use of peace officers and crisis teams to remove students who have an individualized education plan from school grounds.

(d) Each school district must include in the student policies it annually disseminates to students and their parents an expectation that students cooperate with educators and, as educators and circumstances direct, provide information to educators on school disciplinary, classroom, and other education and school matters, consistent with the due process provisions of the Pupil Fair Dismissal Act. For purposes of this paragraph, the requirements of section 13.04 apply only when a school administrator asks a student to provide information that the school administrator reasonably believes may lead to the student's expulsion. Notwithstanding section 13.05, subdivision 4, educators may use the private and confidential data on students they collect under this paragraph, consistent with the requirements governing educational data under section 13.32.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 14. Minnesota Statutes 2006, section 122A.07, subdivision 2, is amended to read:

Subd. 2. **Eligibility; board composition.** Except for the representatives of higher education and the public, to be eligible for appointment to the Board of Teaching a person must be a teacher currently teaching in a Minnesota school and fully licensed for the position held and have at least five years teaching experience in Minnesota, including the two years immediately preceding nomination and appointment. Each nominee, other than a public nominee, must be selected on the basis of professional experience and knowledge of teacher education, accreditation, and licensure. The board must be composed of:

(1) six teachers who are currently teaching in a Minnesota school or who were teaching at the time of the appointment, at least four of whom must be teaching in a public school;

(2) one higher education representative, who must be a faculty member preparing teachers;

(3) one school administrator; and

(4) three members of the public, two of whom must be present or former members of school boards.

Sec. 15. Minnesota Statutes 2006, section 122A.07, subdivision 3, is amended to read:

Subd. 3. **Vacant position.** With the exception of a teacher who retires from teaching during the course of completing a board term, the position of a member who leaves Minnesota or whose employment status changes to a category different from that from which appointed is deemed vacant.

Sec. 16. Minnesota Statutes 2006, section 122A.09, subdivision 4, is amended to read:

Subd. 4. **License and rules.** (a) The board must adopt rules to license public school teachers and interns subject to chapter 14.

(b) The board must adopt rules requiring a person to successfully complete a skills examination in reading, writing, and mathematics as a requirement for initial teacher licensure. Such rules must require college and universities offering a board-approved teacher preparation program to provide remedial assistance to persons who did not achieve a qualifying score on the skills examination, including those for whom English is a second language.

(c) The board must adopt rules to approve teacher preparation programs. The board, upon the request of a postsecondary student preparing for teacher licensure or a licensed graduate of a teacher preparation program, shall assist in resolving a dispute between the person and a postsecondary institution providing a teacher preparation program when the dispute involves an institution's recommendation for licensure affecting the person or the person's credentials. At the board's discretion, assistance may include the application of chapter 14.

(d) The board must provide the leadership and shall adopt rules for the redesign of teacher education programs to implement a research based, results-oriented curriculum that focuses on the skills teachers need in order to be effective. The board shall implement new systems of teacher preparation program evaluation to assure program effectiveness based on proficiency of graduates in demonstrating attainment of program outcomes. The board must require that persons enrolled in a teacher preparation program receive instruction in historical and cultural competencies related to Minnesota American Indian tribes and communities and their contributions to Minnesota, consistent with sections 120B.021, subdivision 1, and 124D.71 to 124D.82. The competencies related to Minnesota American Indian tribes and communities must include, among other components, standards for instructional practices most effective for successfully teaching elementary and secondary American Indian students.

(e) The board must adopt rules requiring successful completion of an examination of general pedagogical knowledge and examinations of licensure-specific teaching skills. The rules shall be effective on the dates determined by the board but not later than September 1, 2001.

(f) The board must adopt rules requiring teacher educators to work directly with elementary or secondary school teachers in elementary or secondary schools to obtain periodic exposure to the elementary or secondary teaching environment.

(g) The board must grant licenses to interns and to candidates for initial licenses.

(h) The board must design and implement an assessment system which requires a candidate for an initial license and first continuing license to demonstrate the abilities necessary to perform selected, representative teaching tasks at appropriate levels.

(i) The board must receive recommendations from local committees as established by the board for the renewal of teaching licenses.

(j) The board must grant life licenses to those who qualify according to requirements established by the board, and suspend or revoke licenses pursuant to sections 122A.20 and 214.10. The board must not establish any expiration date for application for life licenses.

(k) The board must adopt rules that require all licensed teachers who are renewing their continuing license to include in their renewal requirements further preparation in the areas of using positive behavior interventions and in accommodating, modifying, and adapting curricula, materials, and strategies to appropriately meet the needs of individual students and ensure adequate progress toward the state's graduation rule.

(l) In adopting rules to license public school teachers who provide health-related services for disabled children, the board shall adopt rules consistent with license or registration requirements of the commissioner of health and the health-related boards who license personnel who perform similar services outside of the school.

(m) The board must adopt rules that require all licensed teachers who are renewing their continuing license to include in their renewal requirements further reading preparation, consistent with section 122A.06, subdivision 4. The rules do not take effect until they are approved by law. Teachers who do not provide direct instruction including, at least, counselors, school psychologists, school nurses, school social workers, audiovisual directors and coordinators, and recreation personnel are exempt from this section.

(n) The board must adopt rules that require all licensed teachers who are renewing their continuing license to include in their renewal requirements further preparation in understanding the key warning signs of early-onset mental illness in children and adolescents.

EFFECTIVE DATE. This section is effective for the 2008-2009 school year and later.

Sec. 17. Minnesota Statutes 2006, section 122A.14, is amended by adding a subdivision to read:

Subd. 2a. Gifted and talented preparation. A university approved by the board to prepare candidates for administrative licensure must provide candidates, as part of the traditional and alternative preparation programs, the opportunity to acquire competency in administering gifted and talented services.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to candidates who enroll in either a traditional or an alternative preparation administrator licensure program after August 15, 2009.

Sec. 18. Minnesota Statutes 2006, section 122A.14, is amended by adding a subdivision to read:

Subd. 2c. **Gifted and talented preparation; board review.** (a) The board must periodically review and approve traditional and alternative preparation sequences for school administrators and the sequence of competencies in administering gifted and talented student programs and services.

(b) The board also may advise a university on developing and implementing continuing education programs focused on building competencies for administering gifted and talented programs and other gifted services.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 19. Minnesota Statutes 2006, section 122A.18, is amended by adding a subdivision to read:

Subd. 10. **Gifted and talented preparation; board review.** (a) A college or university with a teacher preparation program approved by the board must provide teacher candidates with the opportunity to acquire competency in recognizing gifted students and in providing classroom instruction to gifted and talented students.

(b) The board must periodically review and approve traditional and alternative sequences for teacher candidates in recognizing gifted students and in providing classroom instruction to gifted and talented students.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to teacher candidates who enroll in either a traditional or an alternative preparation teacher licensure program after September 1, 2009.

Sec. 20. Minnesota Statutes 2006, section 122A.60, is amended to read:

122A.60 STAFF DEVELOPMENT PROGRAM.

Subdivision 1. **Staff development committee.** A school board must use the revenue authorized in section 122A.61 for ~~in-service~~ education ~~for~~ programs under section 120B.22, subdivision 2, or for staff development plans under this section. The board must establish an advisory staff development committee to develop the plan, assist site professional development teams in developing a site plan consistent with the goals of the plan, and evaluate staff development efforts at the site level. A majority of the advisory committee and the site professional development team must be teachers representing various grade levels, subject areas, and special education. The advisory committee must also include nonteaching staff, parents, and administrators.

Subd. 1a. **Effective staff development activities.** (a) Staff development activities must be aligned with the district and school site staff development plans, based on student achievement data, focused on student learning goals, and used in the classroom setting. Activities must:

- (1) focus on the school classroom and research-based strategies that improve student learning;
- (2) provide opportunities for teachers to practice and improve their instructional skills over time;
- (3) provide regular opportunities for teachers to use student data as part of their daily work to increase student achievement;
- (4) enhance teacher content knowledge and instructional skills;
- (5) align with state and local academic standards;

(6) provide job-embedded or integrated professional development opportunities during teacher contract day to build professional relationships, foster collaboration among principals and staff ~~who provide instruction to identify instructional strategies to meet student learning goals, plan for instruction, practice new teaching strategies, review the results of implementing strategies,~~ and provide opportunities for teacher-to-teacher coaching and mentoring; and

(7) align with the plan of the district or site for an alternative teacher professional pay system.

Staff development activities may also include curriculum development and curriculum training programs, and activities that provide teachers and other members of site-based teams training to enhance team performance. The school district also may implement other staff development activities required by law and activities associated with professional teacher compensation models.

(b) Release time provided for teachers to supervise students on field trips and school activities, or independent tasks not associated with enhancing the teacher's knowledge and instructional skills, such as preparing report cards, calculating grades, or organizing classroom materials, may not be counted as staff development time that is financed with staff development reserved revenue under section 122A.61.

Subd. 2. **Contents of the plan.** The plan must be based on student achievement and include student learning goals, the staff development outcomes under subdivision 3, the means to achieve the outcomes, and procedures for evaluating progress at each school site toward meeting education outcomes.

Subd. 3. **Staff development outcomes.** The advisory staff development committee must adopt a staff development plan for increasing teacher effectiveness and improving student achievement. The plan must be consistent with education outcomes that the school board determines. The plan must include ongoing staff development activities that contribute toward continuous improvement in achievement of the following goals:

(1) improve student achievement of state and local education standards in all areas of the curriculum by using research-based best practices methods;

(2) effectively meet the needs of a diverse student population, including at-risk children, English language learners, children with disabilities, and gifted children, within the regular classroom and other settings;

(3) provide an inclusive curriculum for a racially, ethnically, and culturally diverse student population that is consistent with the state education diversity rule and the district's education diversity plan;

(4) improve staff collaboration and develop mentoring and peer coaching programs for teachers new to the school or district or in their first five years of teaching;

(5) effectively teach and model violence prevention policy and curriculum that address early intervention alternatives, issues of harassment, and teach nonviolent alternatives for conflict resolution; and

(6) provide teachers and other members of site-based management teams with appropriate management and financial management skills.

Subd. 4. **Staff development report.** (a) By October ~~15~~ 1 of each year, the district and site staff development committees shall write and submit a report of staff development activities and expenditures for the previous year, in the form and manner determined by the commissioner. The report, signed by the district superintendent and staff development chair, must include assessment and evaluation data indicating progress toward district and site staff development goals based on teaching and learning outcomes, including the percentage of teachers and other staff involved in instruction who participate in effective staff development activities under subdivision 3.

(b) The report must break down expenditures for:

(1) curriculum development and curriculum training programs; and

(2) staff development training models, workshops, and conferences, and the cost of releasing teachers or providing substitute teachers for staff development purposes.

The report also must indicate whether the expenditures were incurred at the district level or the school site level, and whether the school site expenditures were made possible by grants to school sites that demonstrate exemplary use of allocated staff development revenue. These expenditures must be reported using the uniform financial and accounting and reporting standards.

(c) The commissioner shall report the staff development progress and expenditure data to the house of representatives and senate committees having jurisdiction over education by February 15 each year.

Sec. 21. Minnesota Statutes 2006, section 122A.61, subdivision 1, is amended to read:

Subdivision 1. **Staff development revenue.** A district is required to reserve an amount equal to at least two percent of the basic revenue under section 126C.10, subdivision 2, for ~~in-service education for~~ programs under section 120B.22, subdivision 2, ~~for~~ with the primary purpose of creating and implementing district and school site staff development plans, including. Funds may also be used to support plans for challenging instructional activities and experiences under section 122A.60, and for curriculum development and programs, ~~other in-service education,~~ teachers' workshops, teacher conferences, the cost of substitute teachers staff development purposes, preservice and in-service education for special education professionals and paraprofessionals, and other related costs for staff development efforts. A district may annually waive the requirement to reserve their basic revenue under this section if a majority vote of the licensed teachers in the district and a majority vote of the school board agree to a resolution to waive the requirement. A district in statutory operating debt is exempt from reserving basic revenue according to this section. Districts may expend an additional amount of unreserved revenue for staff development based on their needs. With the exception of amounts reserved for staff development from revenues allocated directly to school sites, the board must initially allocate 50 percent of the reserved revenue to each school site in the district on a per teacher basis, which must be retained by the school site until used. The board may retain 25 percent to be used for district wide staff development efforts. The remaining 25 percent of the revenue must be used to make grants to school sites for best practices methods. A grant may be used for any purpose authorized under section 120B.22, subdivision 2, 122A.60, or for the costs of curriculum development and programs, ~~other in-service education,~~ teachers' workshops, teacher conferences, substitute teachers for staff development purposes, and other staff development efforts, and determined by the site professional development team. The site professional development team must demonstrate to the school board the extent to which staff at the site have met the outcomes of the program. The board may withhold a portion of initial allocation of revenue if the staff development outcomes are not being met.

Sec. 22. Minnesota Statutes 2006, section 122A.75, subdivision 1, is amended to read:

Subdivision 1. **Services.** An Administrators Academy is established. The academy shall provide at least the following services:

(1) an administrator assessment that results in an individual professional development plan;

(2) research and development assistance that provides current research and data of interest to administrators; ~~and~~

(3) brokerage assistance to provide services and resources to help administrators with needs identified in their individual professional development plan; and

(4) the opportunity for administrators to acquire competency in administering gifted and talented services, consistent with section 122A.14, subdivision 2c.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to administrators participating in an administrators academy program after August 1, 2009.

Sec. 23. Minnesota Statutes 2006, section 123B.03, subdivision 1, is amended to read:

Subdivision 1. **Background check required.** (a) A school hiring authority, as defined in subdivision 3, shall request a criminal history background check from the superintendent of the Bureau of Criminal Apprehension on all individuals who are offered employment in the school, as defined in subdivision 3. In order to be eligible for employment, an individual who is offered employment must provide an executed criminal history consent form and a money order or check payable to either the Bureau of Criminal Apprehension or the school hiring authority, at the election of the school hiring authority, in an amount equal to the actual cost to the Bureau of Criminal Apprehension and the school district of conducting the criminal history background check. A school hiring authority electing to receive payment may, at its discretion, accept payment in the form of a negotiable instrument other than a money order or check and shall pay the superintendent of the Bureau of Criminal Apprehension directly to conduct the background check. The superintendent of the Bureau of Criminal Apprehension shall conduct the background check by retrieving criminal history data maintained in the criminal justice information system computers. A school hiring authority, at its discretion, may elect not to request a criminal history background check on an individual who holds an initial entrance license issued by the State Board of Teaching or the commissioner of education within the 12 months preceding an offer of employment.

(b) A school hiring authority may use the results of a criminal background check conducted at the request of another school hiring authority if:

(1) the results of the criminal background check are on file with the other school hiring authority or otherwise accessible;

(2) the other school hiring authority conducted a criminal background check within the previous 12 months;

(3) the individual who is the subject of the criminal background check executes a written consent form giving a school hiring authority access to the results of the check; and

(4) there is no reason to believe that the individual has committed an act subsequent to the check that would disqualify the individual for employment.

(c) A school hiring authority may, at its discretion, request a criminal history background check from the superintendent of the Bureau of Criminal Apprehension on any individual who seeks to enter a school or its grounds for the purpose of serving as a school volunteer or working as an independent contractor or student employee. In order for an individual to enter a school or its grounds under this paragraph when the school hiring authority elects to request a criminal history background check on the individual, the individual first must provide an executed criminal history consent form and a money order, check, or other negotiable instrument payable to the school district in an amount equal to the actual cost to the Bureau of Criminal Apprehension and the school district of conducting the criminal history background check. Notwithstanding section 299C.62, subdivision 1, the cost of the criminal history background check under this paragraph is the responsibility of the individual.

(d) For all nonstate residents who are offered employment in a school, a school hiring authority shall request a criminal history background check on such individuals from the superintendent of the Bureau of Criminal Apprehension and from the government agency performing the same function in the resident state or, if no government entity performs the same function in the resident state, from the Federal Bureau of Investigation. Such

individuals must provide an executed criminal history consent form and a money order, check, or other negotiable instrument payable to the school hiring authority in an amount equal to the actual cost to the government agencies and the school district of conducting the criminal history background check. Notwithstanding section 299C.62, subdivision 1, the cost of the criminal history background check under this paragraph is the responsibility of the individual.

(e) Consistent with the terms in paragraph (a), a school hiring authority, as defined in subdivision 3, shall request a criminal history background check from the superintendent of the Bureau of Criminal Apprehension on an individual who elects to provide athletic coaching services or other extracurricular or cocurricular services to a district, regardless of the terms of the service.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 24. Minnesota Statutes 2006, section 123B.03, is amended by adding a subdivision to read:

Subd. 1a. **Investigation of disciplinary actions taken against prospective teachers.** At the time a school hiring authority conducts the criminal history background check required under subdivision 1 on an individual offered employment as a teacher, the school hiring authority must contact the Board of Teaching to determine whether the board has taken disciplinary action against the teacher based on a board determination that inappropriate sexual conduct or attempted inappropriate sexual conduct occurred between the teacher and a student. If disciplinary action has been taken based on this type of conduct, the school hiring authority must obtain access to data that are public under sections 13.41, subdivision 5, and 13.43, subdivision 2, that relate to the substance of the disciplinary action. In addition, the school hiring authority must require the individual to provide information in the employment application regarding all current and previous disciplinary actions in Minnesota and other states taken against the individual's teaching license as a result of inappropriate sexual conduct or attempted inappropriate sexual conduct with a student and indicate to the applicant that intentionally submitting false or incomplete information is a ground for dismissal.

EFFECTIVE DATE. This section is effective May 1, 2009.

Sec. 25. Minnesota Statutes 2006, section 123B.03, subdivision 2, is amended to read:

Subd. 2. **Conditional hiring; discharge.** A school hiring authority may hire an individual pending completion of a background check under subdivision 1 or an investigation of disciplinary actions under subdivision 1a but shall notify the individual that the individual's employment may be terminated based on the result of the background check or investigation. A school hiring authority is not liable for failing to hire or for terminating an individual's employment based on the result of a background check or investigation under this section.

EFFECTIVE DATE. This section is effective May 1, 2009.

Sec. 26. Minnesota Statutes 2007 Supplement, section 123B.143, subdivision 1, is amended to read:

Subdivision 1. **Contract; duties.** All districts maintaining a classified secondary school must employ a superintendent who shall be an ex officio nonvoting member of the school board. The authority for selection and employment of a superintendent must be vested in the board in all cases. An individual employed by a board as a superintendent shall have an initial employment contract for a period of time no longer than three years from the date of employment. Any subsequent employment contract must not exceed a period of three years. A board, at its discretion, may or may not renew an employment contract. A board must not, by action or inaction, extend the duration of an existing employment contract. Beginning 365 days prior to the expiration date of an existing employment contract, a board may negotiate and enter into a subsequent employment contract to take effect upon the expiration of the existing contract. A subsequent contract must be contingent upon the employee completing the

terms of an existing contract. If a contract between a board and a superintendent is terminated prior to the date specified in the contract, the board may not enter into another superintendent contract with that same individual that has a term that extends beyond the date specified in the terminated contract. A board may terminate a superintendent during the term of an employment contract for any of the grounds specified in section 122A.40, subdivision 9 or 13. A superintendent shall not rely upon an employment contract with a board to assert any other continuing contract rights in the position of superintendent under section 122A.40. Notwithstanding the provisions of sections 122A.40, subdivision 10 or 11, 123A.32, 123A.75, or any other law to the contrary, no individual shall have a right to employment as a superintendent based on order of employment in any district. If two or more districts enter into an agreement for the purchase or sharing of the services of a superintendent, the contracting districts have the absolute right to select one of the individuals employed to serve as superintendent in one of the contracting districts and no individual has a right to employment as the superintendent to provide all or part of the services based on order of employment in a contracting district. The superintendent of a district shall perform the following:

(1) visit and supervise the schools in the district, report and make recommendations about their condition when advisable or on request by the board;

(2) recommend to the board employment and dismissal of teachers;

(3) superintend school grading practices and examinations for promotions;

(4) make reports required by the commissioner; and

~~(5) by January 10, submit an annual report to the commissioner in a manner prescribed by the commissioner, in consultation with school districts, identifying the expenditures that the district requires to ensure an 80 percent student passage rate on the MCA IIs taken in the eighth grade, identifying the highest student passage rate the district expects it will be able to attain on the MCA IIs by grade 12, and the amount of expenditures that the district requires to attain the targeted student passage rate; and~~

~~(6) perform other duties prescribed by the board.~~

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 27. Minnesota Statutes 2006, section 123B.51, is amended by adding a subdivision to read:

Subd. 5a. **Temporary closing.** A school district that proposes to temporarily close a schoolhouse or that intends to lease the facility to another entity for use as a schoolhouse for three or fewer years is not subject to subdivision 5 if the school board holds a public meeting and allows public comment on the schoolhouse's future.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 28. Minnesota Statutes 2007 Supplement, section 124D.095, subdivision 4, is amended to read:

Subd. 4. **Online learning parameters.** (a) An online learning student must receive academic credit for completing the requirements of an online learning course or program. Secondary credits granted to an online learning student must be counted toward the graduation and credit requirements of the enrolling district. An online learning provider must make available to the enrolling district the course syllabus, standard alignment, content outline, assessment requirements, and contact information for supplemental online courses taken by students in the enrolling district. The enrolling district must apply the same graduation requirements to all students, including online learning students, and must continue to provide nonacademic services to online learning students. If a student completes an online learning course or program that meets or exceeds a graduation standard or grade progression

requirement at the enrolling district, that standard or requirement is met. The enrolling district must use the same criteria for accepting online learning credits or courses as it does for accepting credits or courses for transfer students under section 124D.03, subdivision 9. The enrolling district may reduce the course schedule of an online learning student in proportion to the number of online learning courses the student takes from an online learning provider that is not the enrolling district.

(b) An online learning student may:

(1) enroll in supplemental online learning courses during a single school year to a maximum of 50 percent of the student's full schedule of courses per term. A student may exceed the supplemental online learning registration limit if the enrolling district grants permission for supplemental online learning enrollment above the limit, or if an agreement is made between the enrolling district and the online learning provider for instructional services;

(2) complete course work at a grade level that is different from the student's current grade level; and

(3) enroll in additional courses with the online learning provider under a separate agreement that includes terms for payment of any tuition or course fees.

(c) An online learning student has the same access to the computer hardware and education software available in a school as all other students in the enrolling district. An online learning provider must assist an online learning student whose family qualifies for the education tax credit under section 290.0674 to acquire computer hardware and educational software for online learning purposes.

(d) An enrolling district may offer online learning to its enrolled students. Such online learning does not generate online learning funds under this section. Notwithstanding paragraph (e), an enrolling district that offers online learning only to its enrolled students is not subject to the reporting requirements or review criteria under subdivision 7, unless the enrolling district is a full-time online provider. A teacher with a Minnesota license must assemble and deliver instruction to enrolled students receiving online learning from an enrolling district. The delivery of instruction occurs when the student interacts with the computer or the teacher and receives ongoing assistance and assessment of learning. The instruction may include curriculum developed by persons other than a teacher with a Minnesota license.

(e) An online learning provider ~~that is not the enrolling district~~ is subject to the reporting requirements and review criteria under subdivision 7. A teacher with a Minnesota license must assemble and deliver instruction to online learning students. The delivery of instruction occurs when the student interacts with the computer or the teacher and receives ongoing assistance and assessment of learning. The instruction may include curriculum developed by persons other than a teacher with a Minnesota license. Unless the commissioner grants a waiver, a teacher providing online learning instruction must not instruct more than 40 students in any one online learning course or program.

(f) To enroll in more than 50 percent of the student's full schedule of courses per term in online learning, the student must qualify to exceed the supplemental online learning registration limit under paragraph (b) or apply for enrollment to an approved full-time online learning program following appropriate procedures in subdivision 3, paragraph (a). Full-time online learning students may enroll in classes at a local school per contract for instructional services between the online learning provider and the school district.

Sec. 29. Minnesota Statutes 2006, section 124D.10, subdivision 2a, is amended to read:

Subd. 2a. **Charter School Advisory Council.** (a) A Charter School Advisory Council is established under section 15.059 except that the term for each council member shall be three years. The advisory council is composed of seven members from throughout the state who have demonstrated experience with or interest in charter schools. The members of the council shall be appointed by the commissioner. The advisory council shall bring to the attention of the commissioner any matters related to charter schools that the council deems necessary and shall:

- (1) encourage school boards to make full use of charter school opportunities;
- (2) encourage the creation of innovative schools;
- (3) provide leadership and support for charter school sponsors to increase the innovation in and the effectiveness, accountability, and fiscal soundness of charter schools;
- (4) serve an ombudsman function in facilitating the operations of new and existing charter schools;
- (5) promote timely financial management training for newly elected members of a charter school board of directors and ongoing training for other members of a charter school board of directors; and
- (6) facilitate compliance with auditing and other reporting requirements. The advisory council shall refer all its proposals to the commissioner who shall provide time for reports from the council.

(b) The Charter School Advisory Council under this subdivision ~~expires June 30, 2007~~ does not expire and the expiration date provided in section 15.059, subdivision 5, does not apply to this section.

EFFECTIVE DATE. This section is effective retroactively from June 30, 2007.

Sec. 30. Minnesota Statutes 2007 Supplement, section 124D.10, subdivision 4, is amended to read:

Subd. 4. **Formation of school.** (a) A sponsor may authorize one or more licensed teachers under section 122A.18, subdivision 1, to operate a charter school subject to approval by the commissioner. A board must vote on charter school application for sponsorship no later than 90 days after receiving the application. The school must be organized and operated as a cooperative under chapter 308A or nonprofit corporation under chapter 317A and the provisions under the applicable chapter shall apply to the school except as provided in this section. Notwithstanding sections 465.717 and 465.719, a school district may create a corporation for the purpose of creating a charter school.

(b) Before the operators may form and operate a school, the sponsor must file an affidavit with the commissioner stating its intent to authorize a charter school. The affidavit must demonstrate the sponsor's ability to fulfill the responsibilities of a sponsor and state the terms and conditions under which the sponsor would authorize a charter school and how the sponsor intends to oversee the fiscal and student performance of the charter school and to comply with the terms of the written contract between the sponsor and the charter school board of directors under subdivision 6 in the form and manner prescribed by the commissioner. The sponsor must submit an affidavit to the commissioner for each charter school it proposes to authorize. The commissioner must approve or disapprove the sponsor's proposed authorization within 90 days of receipt of the affidavit. Failure to obtain commissioner approval precludes a sponsor from authorizing the charter school that was the subject of the affidavit.

(c) The operators authorized to organize and operate a school, before entering into a contract or other agreement for professional or other services, goods, or facilities, must incorporate as a cooperative under chapter 308A or as a nonprofit corporation under chapter 317A and must establish a board of directors composed of at least five unrelated members until a timely election for members of the charter school board of directors is held according to the school's articles and bylaws. A charter school board of directors must be composed of at least five members. Any staff members who are employed at the school, including teachers providing instruction under a contract with a cooperative, and all parents of children enrolled in the school ~~may~~ are eligible to participate in the election for members of the school's board of directors. Licensed teachers employed at the school, including teachers providing instruction under a contract with a cooperative, must be a majority of the members of the board of directors before the school completes its third year of operation, unless the commissioner waives the requirement for a majority of licensed teachers on the board. Board of director meetings must comply with chapter 13D.

(d) The granting or renewal of a charter by a sponsoring entity must not be conditioned upon the bargaining unit status of the employees of the school.

(e) The granting or renewal of a charter school by a sponsor must not be contingent on the charter school being required to contract, lease, or purchase services from the sponsor. A sponsor is prohibited from entering into a contract to provide management or financial services for a school that it is authorized to sponsor.

~~(f)~~ (f) A sponsor may authorize the operators of a charter school to expand the operation of the charter school to additional sites or to add additional grades at the school beyond those described in the sponsor's application as approved by the commissioner only after submitting a supplemental application to the commissioner in a form and manner prescribed by the commissioner. The supplemental application must provide evidence that:

- (1) the expansion of the charter school is supported by need and projected enrollment;
- (2) the charter school is fiscally sound;
- (3) the sponsor supports the expansion; and
- (4) the building of the additional site meets all health and safety requirements to be eligible for lease aid.

~~(g)~~ (g) The commissioner annually must provide timely financial management training to newly elected members of a charter school board of directors and ongoing training to other members of a charter school board of directors. Training must address ways to:

- (1) proactively assess opportunities for a charter school to maximize all available revenue sources;
- (2) establish and maintain complete, auditable records for the charter school;
- (3) establish proper filing techniques;
- (4) document formal actions of the charter school, including meetings of the charter school board of directors;
- (5) properly manage and retain charter school and student records;
- (6) comply with state and federal payroll record-keeping requirements; and
- (7) address other similar factors that facilitate establishing and maintaining complete records on the charter school's operations.

Sec. 31. Minnesota Statutes 2006, section 124D.10, subdivision 4a, is amended to read:

Subd. 4a. **Conflict of interest.** (a) A member of a charter school board of directors is prohibited from serving as a member of the board of directors or as an employee or agent of or a contractor with a for-profit entity with whom the charter school contracts, directly or indirectly, for professional services, goods, or facilities. A violation of this prohibition renders a contract voidable at the option of the commissioner. The commissioner may reduce a charter school's state aid under section 127A.42 if the charter school board fails to correct a violation under this subdivision in a timely manner. A member of a charter school board of directors who violates this prohibition shall be individually liable to the charter school for any damage caused by the violation.

(b) An individual may serve as a member of the board of directors if no conflict of interest under paragraph (a) exists.

(c) A member of a charter school board of directors that serves as a member of the board of directors or as an employee or agent of or a contractor with a nonprofit entity with whom the charter school contracts, directly or indirectly, for professional services, goods, or facilities, must disclose all potential conflicts to the commissioner. A violation of this requirement makes a contract voidable at the option of the commissioner. The commissioner may reduce a charter school's aid under section 127A.42 if the charter school fails to correct a violation under this subdivision in a timely manner.

(d) The conflict of interest provisions under this subdivision do not apply to compensation paid to a teacher employed by the charter school who also serves as a member of the board of directors.

(e) The conflict of interest provisions under this subdivision do not apply to a teacher who provides services to a charter school through a cooperative formed under chapter 308A when the teacher also serves on the charter school board of directors.

Sec. 32. Minnesota Statutes 2006, section 124D.10, subdivision 6, is amended to read:

Subd. 6. **Contract.** The sponsor's authorization for a charter school must be in the form of a written contract signed by the sponsor and the board of directors of the charter school. The contract must be completed within 90 days of the commissioner's approval of the sponsor's proposed authorization. The contract for a charter school must be in writing and contain at least the following:

- (1) a description of a program that carries out one or more of the purposes in subdivision 1;
- (2) specific outcomes pupils are to achieve under subdivision 10;
- (3) admission policies and procedures;
- (4) management and administration of the school;
- (5) requirements and procedures for program and financial audits;
- (6) how the school will comply with subdivisions 8, 13, 16, and 23;
- (7) assumption of liability by the charter school;
- (8) types and amounts of insurance coverage to be obtained by the charter school;
- (9) the term of the contract, which may be up to three years;
- (10) ~~if~~ how the board of directors or the operators of the charter school will provide special instruction and services for children with a disability under sections 125A.03 to 125A.24, and 125A.65, a description of the financial parameters within which the charter school will operate to provide the special instruction and services to children with a disability; and
- (11) the process and criteria the sponsor intends to use to monitor and evaluate the fiscal and student performance of the charter school, consistent with subdivision 15.

Sec. 33. Minnesota Statutes 2006, section 124D.10, subdivision 6a, is amended to read:

Subd. 6a. **Audit report.** (a) The charter school must submit an audit report to the commissioner by December 31 each year.

(b) The charter school, with the assistance of the auditor conducting the audit, must include with the report a copy of all charter school agreements for corporate management services. If the entity that provides the professional services to the charter school is exempt from taxation under section 501 of the Internal Revenue Code of 1986, that entity must file with the commissioner by February 15 a copy of the annual return required under section 6033 of the Internal Revenue Code of 1986.

(c) If the commissioner receives ~~as part of the an~~ audit report ~~a management letter~~ indicating that a material weakness exists in the financial reporting systems of a charter school, the charter school must submit a written report to the commissioner explaining how the material weakness will be resolved.

(d) Upon the request of an individual, the charter school must make available in a timely fashion the minutes of meetings of members, the board of directors, and committees having any of the authority of the board of directors, and statements showing the financial result of all operations and transactions affecting income and surplus during the school's last annual accounting period and a balance sheet containing a summary of its assets and liabilities as of the closing date of the accounting period.

Sec. 34. Minnesota Statutes 2006, section 124D.10, subdivision 7, is amended to read:

Subd. 7. **Public status; exemption from statutes and rules.** A charter school is a public school and is part of the state's system of public education. ~~Except as provided in this section, a charter school is exempt from all statutes and rules applicable to a school, a board, or a district, although it may elect to comply with one or more provisions of statutes or rules.~~ A charter school is exempt from all statutes and rules applicable to a school, school board, or school district unless a statute or rule is made specifically applicable to a charter school.

Sec. 35. Minnesota Statutes 2006, section 124D.10, subdivision 8, is amended to read:

Subd. 8. **State and local requirements.** (a) A charter school shall meet all ~~applicable~~ federal, state, and local health and safety requirements applicable to school districts.

(b) A school sponsored by a school board may be located in any district, unless the school board of the district of the proposed location disapproves by written resolution.

(c) A charter school must be nonsectarian in its programs, admission policies, employment practices, and all other operations. A sponsor may not authorize a charter school or program that is affiliated with a nonpublic sectarian school or a religious institution.

(d) Charter schools must not be used as a method of providing education or generating revenue for students who are being home-schooled.

(e) The primary focus of a charter school must be to provide a comprehensive program of instruction for at least one grade or age group from five through 18 years of age. Instruction may be provided to people younger than five years and older than 18 years of age.

(f) A charter school may not charge tuition.

(g) A charter school is subject to and must comply with chapter 363A and section 121A.04.

(h) A charter school is subject to and must comply with the Pupil Fair Dismissal Act, sections 121A.40 to 121A.56, and the Minnesota Public School Fee Law, sections 123B.34 to 123B.39.

(i) A charter school is subject to the same financial audits, audit procedures, and audit requirements as a district. Audits must be conducted in compliance with generally accepted governmental auditing standards, the Federal Single Audit Act, if applicable, and section 6.65. A charter school is subject to and must comply with sections 15.054; 118A.01; 118A.02; 118A.03; 118A.04; 118A.05; 118A.06; 123B.52, subdivision 5; 471.38; 471.391; 471.392; 471.425; 471.87; 471.88, subdivisions 1, 2, 3, 4, 5, 6, 12, 13, and 15; 471.881; and 471.89. The audit must comply with the requirements of sections 123B.75 to 123B.83, except to the extent deviations are necessary because of the program at the school. Deviations must be approved by the commissioner. The Department of Education, state auditor, or legislative auditor may conduct financial, program, or compliance audits. A charter school determined to be in statutory operating debt under sections 123B.81 to 123B.83 must submit a plan under section 123B.81, subdivision 4.

(j) A charter school is a district for the purposes of tort liability under chapter 466.

(k) A charter school must comply with sections 13.32; 120A.22, subdivision 7; 121A.75; and 260B.171, subdivisions 3 and 5.

(l) A charter school is subject to the Pledge of Allegiance requirement under section 121A.11, subdivision 3.

Sec. 36. Minnesota Statutes 2006, section 124D.10, subdivision 23, is amended to read:

Subd. 23. **Causes for nonrenewal or termination of charter school contract.** (a) The duration of the contract with a sponsor must be for the term contained in the contract according to subdivision 6. The sponsor may or may not renew a contract at the end of the term for any ground listed in paragraph (b). A sponsor may unilaterally terminate a contract during the term of the contract for any ground listed in paragraph (b). At least 60 days before not renewing or terminating a contract, the sponsor shall notify the board of directors of the charter school of the proposed action in writing by registered mail. The notice shall state the grounds for the proposed action in reasonable detail and that the charter school's board of directors may request in writing an informal hearing before the sponsor within 14 days of receiving notice of nonrenewal or termination of the contract. Failure by the board of directors to make a written request for a hearing within the 14-day period shall be treated as acquiescence to the proposed action. Upon receiving a timely written request for a hearing, the sponsor shall give reasonable notice to the charter school's board of directors of the hearing date. The sponsor shall conduct an informal hearing before taking final action. The sponsor shall take final action to renew or not renew a contract ~~by the last day of classes in the school year~~ no later than 15 days before the date the sponsor terminates the contract or the end date specified in the contract. If the sponsor is a local board, the school's board of directors may appeal the sponsor's decision to the commissioner.

(b) A contract may be terminated or not renewed upon any of the following grounds:

- (1) failure to meet the requirements for pupil performance contained in the contract;
- (2) failure to meet generally accepted standards of fiscal management;
- (3) violations of law; or
- (4) other good cause shown.

If a contract is terminated or not renewed under this paragraph, the school must be dissolved according to the applicable provisions of chapter 308A or 317A, except when the commissioner approves the decision of a different eligible sponsor to authorize the charter school.

(c) If at the end of a contract term, ~~either the sponsor or~~ and the charter school board of directors wants mutually agree to voluntarily terminate the contract, a change in sponsors is allowed if the commissioner approves the decision of a different eligible sponsor to authorize the charter school. ~~The party intending to terminate the contract must notify the other party and the commissioner of its intent at least 90 days before the date on which the contract ends. Both parties jointly must submit to the commissioner their written intent to terminate the contract. The commissioner must determine whether the charter school and the prospective new sponsor can clearly identify and effectively resolve those circumstances causing the previous sponsor and the charter school to terminate the contract before the commissioner determines whether to grant the change of sponsor.~~ The sponsor that is a party to the existing contract at least must inform the approved different eligible sponsor about the fiscal and student performance of the school. If no different eligible sponsor is approved, the school must be dissolved according to applicable law and the terms of the contract.

(d) The commissioner, after providing reasonable notice to the board of directors of a charter school and the existing sponsor, and after providing an opportunity for a public hearing, may terminate the existing sponsorial relationship if the charter school has a history of:

(1) sustained failure to meet the requirements for pupil performance contained in the contract;

~~(1)~~ (2) financial mismanagement; or

~~(2)~~ (3) repeated violations of the law; or

(4) other good cause shown.

Sec. 37. Minnesota Statutes 2007 Supplement, section 124D.10, subdivision 23a, is amended to read:

Subd. 23a. **Related party lease costs.** (a) A charter school is prohibited from entering a lease of real property with a related party as defined in ~~subdivision 26~~ this subdivision, unless the lessor is a nonprofit corporation under chapter 317A or a cooperative under chapter 308A, and the lease cost is reasonable under section 124D.11, subdivision 4, clause (1).

(b) For purposes of this subdivision:

(1) "related party" means an affiliate or close relative of the other party in question, an affiliate of a close relative, or a close relative of an affiliate;

(2) "affiliate" means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another person;

(3) "close relative" means an individual whose relationship by blood, marriage, or adoption to another individual is no more remote than first cousin;

(4) "person" means an individual or entity of any kind; and

(5) "control" means the ability to affect the management, operations, or policies of a person, whether through ownership of voting securities, by contract, or otherwise.

~~(b)~~ (c) A lease of real property to be used for a charter school, not excluded in paragraph (a), must contain the following statement: "This lease is subject to Minnesota Statutes, section 124D.10, subdivision 23a."

(e) (d) If a charter school enters into as lessee a lease with a related party and the charter school subsequently closes, the commissioner has the right to recover from the lessor any lease payments in excess of those that are reasonable under section 124D.11, subdivision 4, clause (1).

Sec. 38. **[124D.805] COMMITTEE ON AMERICAN INDIAN EDUCATION PROGRAMS.**

Subdivision 1. **Establishment.** The commissioner of education shall establish an American Indian education committee. Members appointed by the commissioner must include representatives of tribal bodies, community groups, parents of children eligible to be served by the programs, American Indian administrators and teachers, persons experienced in the training of teachers for American Indian education programs, persons involved in programs for American Indian children in American Indian schools, and persons knowledgeable in the field of American Indian education. Appointed members shall be representative of significant segments of the population of American Indians.

Subd. 2. **Committee to advise commissioner.** The committee on American Indian education programs shall advise the commissioner in the administration of the commissioner's duties under sections 124D.71 to 124D.82 and other programs for the education of American Indian people as determined by the commissioner.

Subd. 3. **Expenses.** Members serve without compensation. The commissioner must determine the membership terms and the duration of the committee, which expire no later than June 30, 2020.

Sec. 39. Minnesota Statutes 2006, section 124D.86, subdivision 1, is amended to read:

Subdivision 1. **Use of revenue.** (a) Integration revenue under this section must be used for programs established under a desegregation plan filed with the Department of Education according to Minnesota Rules, parts 3535.0100 to 3535.0180, or under court order. The revenue must be used to create or enhance learning opportunities which are designed to provide opportunities for students to have increased interracial contacts through classroom experiences, staff initiatives, and other educationally related programs.

(b) A school district, as a condition of receiving revenue each year under this section, must have:

(1) published specific desegregation or integration goals;

(2) identified valid and reliable indicators to measure annual progress toward achieving district goals; and

(3) using its identified indicators, demonstrated to the commissioner the amount of progress in achieving the district goals in the preceding school year.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to the 2008-2009 school year and later.

Sec. 40. **[125B.015] STATE AND SCHOOL DISTRICT TECHNOLOGY STANDARDS.**

Subdivision 1. **State technology standards; standard setting.** (a) Notwithstanding other law to the contrary, the commissioner, the Minnesota Education Technology Task Force, and representatives of school districts must work together to identify for school districts the robust technology tools and systems that improve the educational achievement of all Minnesota students. These entities must establish a foundation of flexible shared services that supports state development and implementation of new and more efficient educational business practices, including the use of modern analytical tools that help schools and school districts make data-driven decisions and increase instructional time. These entities also must anticipate the needs of school districts for effectively using emerging technologies to make the best and most cost-effective use of finite educational resources.

(b) The commissioner, the Minnesota Education Technology Task Force, representatives of school districts, and other interested and affected stakeholders, must establish and then maintain, revise, and publish every four years beginning December 1, 2008, state and district technology standards and accompanying guidelines consistent with the requirements of this section and section 120B.023, subdivision 2, paragraph (a). The state and school districts must use the technology standards to participate in a uniform data collection system premised on:

(1) common data definitions for all required data elements;

(2) a common course catalogue;

(3) common transcript definitions; and

(4) school district infrastructure technology standards.

(c) School districts, consistent with this section and other applicable law, may use financial resources in addition to state funding to provide students with the technology tools they need to succeed in an increasingly complex and information-rich environment.

Subd. 2. District technology standards. (a) The commissioner, in collaboration with the Minnesota Education Technology Task Force, must establish and then maintain, revise, and publish six categories of district technology standards consistent with this section. The district technology standards must encompass:

(1) instructional technology that includes best practices in 21st century classroom instruction and student learning;

(2) technological tools that support formative and summative online assessments, equipment, and software;

(3) shared services that facilitate network and data systems administration;

(4) data practices that include technical security, Internet safety, and data privacy;

(5) data management that facilitates efficient data transfers involving school districts and the department; and

(6) facilities infrastructure that supports multipurpose technology facilities for instruction and assessment.

(b) School districts must align district technology expenditures with state and district technology standards established under this section.

(c) Beginning December 1, 2010, and each two-year period thereafter, school districts must use the district technology standards in this section to complete a review of the district technology environment that:

(1) examines the alignment of district technology expenditures to the technology standards under this section;

(2) identifies service gaps in the district technology plan; and

(3) estimates the funding needed to fill service gaps.

(d) School districts must transmit the substance of the review to the commissioner in the form and manner the commissioner determines in collaboration with the Minnesota Education Technology Task Force. The commissioner must evaluate and report the substance of the reviews to the legislature by February 15, 2011, and each two-year period thereafter.

Subd. 3. **Expedited process.** The commissioner must use the expedited rulemaking process under section 14.389 to adopt state and district technology standards consistent with this section.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to the 2008-2009 school year and later.

Sec. 41. Minnesota Statutes 2006, section 471.88, is amended by adding a subdivision to read:

Subd. 21. **Contract with no bids required.** Notwithstanding subdivision 1, a local school board may contract with a class of school district employees such as teachers or custodians where the spouse of a school board member is a member of the class of employees contracting with the school board and the employee spouse receives no special monetary or other benefit that is substantially different from the benefits that other members of the class receive under the employment contract. A school board invoking this exception must have a majority of disinterested school board members vote to approve the contract, direct the school board member spouse to abstain from voting to approve the contract, and publicly set out the essential facts of the contract at the meeting where the contract is approved.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 42. **IMPLEMENTING A STUDENT GROWTH-BASED VALUE-ADDED SYSTEM.**

(a) To implement the requirements of Minnesota Statutes, section 120B.35, subdivision 3, paragraph (b), and to help parents and members of the public compare the reported data, the commissioner must convene a group of expert school district assessment and evaluation staff, including a recognized Minnesota assessment group composed of assessment and evaluation directors and staff and researchers under Minnesota Statutes, section 120B.299, subdivision 6, and interested stakeholders, including school superintendents, school principals, school teachers, and parents to examine the actual statewide performance of students using Minnesota's growth-based value-added system and establish criteria for identifying schools and school districts that demonstrate accelerated growth in order to advance educators' professional development and replicate programs that succeed in meeting students' diverse learning needs.

(b) The commissioner must submit a written report to the education committees of the house of representatives and senate by February 15, 2009, describing the criteria for identifying schools and school districts that demonstrate accelerated growth. The group convened under this section expires on June 30, 2009.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to school report cards in the 2008-2009 school year and later.

Sec. 43. **IMPLEMENTING RIGOROUS COURSEWORK MEASURES RELATED TO STUDENT PERFORMANCE.**

To implement the requirements of Minnesota Statutes, section 120B.35, subdivision 3, paragraph (c), clauses (1) and (2), and to help parents and members of the public compare the reported data, the commissioner of education must convene a group of recognized and qualified experts and interested stakeholders, including parents among other stakeholders, to develop a model projecting anticipated performance of each high school on preparation and rigorous coursework measures that compares the school with similar schools. The model must use information about entering high school students based on particular background characteristics that are predictive of differing rates of college readiness. These characteristics include grade 8 achievement levels, high school student mobility, high school student attendance, and the size of each entering ninth grade class. The group of experts and stakeholders may examine other characteristics not part of the prediction model including the nine student categories identified under the federal 2001 No Child Left Behind Act, and two student gender categories of male and female,

respectively. The commissioner annually must use the predicted level of entering students' performance to provide a context for interpreting graduating students' actual performance. The group convened under this section expires June 30, 2011.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to school report cards beginning July 1, 2011.

Sec. 44. **IMPLEMENTING MEASURES FOR ASSESSING STUDENTS' SELF-REPORTED SENSE OF SCHOOL SAFETY, ENGAGEMENT IN SCHOOL, AND THE QUALITY OF RELATIONSHIPS WITH TEACHERS, ADMINISTRATORS, AND OTHER STUDENTS.**

(a) To implement the requirements of Minnesota Statutes, section 120B.35, subdivision 3, paragraph (d), and to help parents and members of the public compare the reported data, the commissioner of education, in consultation with interested stakeholders, including parents among other stakeholders, must convene a group of recognized and qualified experts to:

(1) analyze the University of Minnesota student safety and engagement survey instrument and other commonly recognized survey instruments to select or devise the survey instrument that best meets state accountability requirements;

(2) ensure that the identified survey instrument has sound psychometric properties and is useful for intervention planning;

(3) determine at what grade levels to administer the survey instrument and ensure that the survey instrument can be used at those grade levels; and

(4) determine through disaggregated use of survey indicators or other means how to report "safety" in order to comply with federal law.

(b) The commissioner must submit a written report to the education committees of the house of representatives and senate by February 15, 2009, presenting the experts' responses to paragraph (a), clauses (1) to (4). The group convened under this section expires June 30, 2009.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to school report cards beginning July 1, 2011.

Sec. 45. **GROWTH-BASED VALUE-ADDED SYSTEM.**

The growth-based value-added system used by the commissioner of education to comply with Minnesota Statutes, section 120B.35, subdivision 3, paragraph (b), must be consistent with the growth-based value-added model contained in the document labeled "Educational Report Card Growth Model" developed in partnership with the Minnesota Department of Education. The document must be deposited with the Office of the Revisor of Statutes, the Legislative Reference Library, and the State Law Library, where the document shall be maintained until the commissioner implements the growth-based value-added system under Minnesota Statutes, section 120B.35, subdivision 3, paragraph (b). The recognized Minnesota assessment group composed of assessment and evaluation directors and staff and researchers under Minnesota Statutes, section 120B.299, subdivision 6, must determine whether the growth-based value-added model the commissioner uses to comply with Minnesota Statutes, section 120B.35, subdivision 3, paragraph (b), is consistent with the deposited document and report its determination to the education committees of the house of representatives and senate by February 15, 2009.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 46. **SCHOOL DISTRICT PLANS TO IMPROVE STUDENTS' ACADEMIC ACHIEVEMENT.**

Subdivision 1. **District academic achievement plan; priorities.** (a) A school district experiencing disparities in academic achievement is encouraged to develop a short and long-term plan encompassing one through four years to significantly improve students' academic achievement that uses concrete measures to eliminate differences in academic performance among groups of students defined by race, ethnicity, and income. The plan must:

(1) reflect a research-based understanding of high-performing educational systems and best educational practices;

(2) include innovative and practical strategies and programs, whether existing or new, that supplement district initiatives to increase students' academic achievement under state and federal educational accountability requirements; and

(3) contain valid and reliable measures of student achievement that the district uses to demonstrate the efficacy of the district plan to the commissioner of education.

(b) A district must address the elements under section 47, paragraph (a), to the extent those elements are implicated in the district's plan.

(c) A district must identify in its plan the strategies and programs the district has implemented and found effective in improving students' academic achievement.

(d) The district must include with the plan the amount of expenditures necessary to implement the plan. The district must indicate how current resources are used to implement the plan, including, but not limited to, state-limited English proficiency aid under Minnesota Statutes, section 124D.65; integration revenue under Minnesota Statutes, section 124D.86; early childhood family education revenue under Minnesota Statutes, section 124D.135; school readiness aid under Minnesota Statutes, section 124D.16; basic skills revenue under Minnesota Statutes, section 126C.10, subdivision 4; extended time revenue under Minnesota Statutes, section 126C.10, subdivision 2a; and alternative compensation revenue under Minnesota Statutes, section 122A.415.

Subd. 2. **Plan.** (a) A school district by October 1, 2008, must submit its plan in electronic format to the commissioner of education, consistent with subdivision 1.

(b) The commissioner of education must analyze the commonalities and differences of the district plans and the effective strategies and programs districts have implemented to improve students' academic achievement, and submit the analysis and underlying data to the advisory task force on improving students' academic achievement under section 47 by November 1, 2008, and also report the substance of the analyses to the education policy and finance committees of the legislature by January 1, 2009.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 47. **ADVISORY TASK FORCE ON IMPROVING STUDENTS' ACADEMIC ACHIEVEMENT.**

(a) An advisory task force on improving students' academic achievement is established to review the plans submitted to the commissioner of education under section 46 and recommend to the education committees of the legislature a proposal for improving students' academic achievement and eliminating differences in academic performance among groups of students defined by race, ethnicity, and income. The task force members must at least consider how the following education-related issues impact the educational achievement of low-income students and students of color:

(1) rigorous preparation and coursework and how to (i) effectively invest in early childhood and parent education, (ii) increase academic rigor and high expectations on elementary and secondary students in schools serving a majority of low-income students and students of color, and (iii) provide parents, educators, and community members with meaningful opportunities to collaborate in educating students in schools serving a majority of low-income students and students of color;

(2) professional development for educators and how to (i) provide stronger financial and professional incentives to attract and retain experienced, bilingual, and culturally competent teachers and administrators in schools serving a majority of low-income students and students of color, (ii) recruit and retain teachers of color, and (iii) develop and include cultural sensitivity and interpersonal and pedagogical skills training that teachers need for effective intercultural teaching;

(3) English language learners and how to (i) use well-designed tests, curricula, and English as a second language programs and services as diagnostic tools to develop effective student interventions, (ii) monitor students' language capabilities, (iii) provide academic instruction in English that supports students' learning and is appropriate for students' level of language proficiency, and (iv) incorporate the perspectives and contributions of ethnic and racial groups, consistent with Minnesota Statutes, section 120B.022, subdivision 1, paragraph (b);

(4) special education and how to (i) incorporate linguistic and cultural sensitivity into special education diagnosis and referral, (ii) increase the frequency and quality of prereferral interventions, and (iii) decrease the number of minority and nonnative English speaking students inappropriately placed in special education;

(5) GRAD tests and how to (i) incorporate linguistic and cultural sensitivity into the reading and math GRAD tests, and (ii) develop interventions to meet students' learning needs; and

(6) valid and reliable data and how to use data on student on-time graduation rates, student dropout rates, documented disciplinary actions, and completed and rigorous course work indicators to determine how well-prepared low-income students and students of color are for postsecondary academic and career opportunities.

The task force also must examine the findings of a 2008 report by Minnesota superintendents on strategies for creating a world-class educational system to establish priorities for improving students' academic achievement. The task force may consider other related matters at its discretion.

(b) The commissioner of education must convene the first meeting of the advisory task force on improving students' academic achievement by July 1, 2008. The task force members must adopt internal procedures and standards for subsequent meetings. The task force is composed of the following members:

(1) a representative from a Twin Cities metropolitan area school district, a suburban school district, a school district located in a regional center, and a rural school district, all four representatives appointed by the state demographer based on identified concentrations of low-performing, low-income students and students of color;

(2) a faculty member of a teacher preparation program at the University of Minnesota's College of Education and Human Development, appointed by the college dean or the dean's designee;

(3) a faculty member from the urban teachers program at Metropolitan State University appointed by the university president or the president's designee;

(4) a faculty member from a Minnesota State Colleges and Universities teacher preparation program located outside the Twin Cities metropolitan area, appointed by the chancellor or the chancellor's designee;

(5) a classroom teacher appointed by Education Minnesota;

(6) an expert in early childhood care and education appointed by a state early childhood organization;

(7) a member from each state council representing a community of color, appointed by the respective council;

(8) a curriculum specialist with expertise in providing language instruction for nonnative English speakers, appointed by a state curriculum organization;

(9) a special education teacher, appointed by a state organization of special education educators;

(10) a parent of color, appointed by a state parent-teacher organization;

(11) a district testing director appointed by a recognized Minnesota assessment group composed of assessment and evaluation directors and staff and researchers; and

(12) a Department of Education staff person with expertise in school desegregation matters appointed by the commissioner of education or the commissioner's designee.

A majority of task force members, at their discretion, may invite other representatives of interested public or nonpublic organizations, Minnesota's communities of color, and stakeholders in local and state educational equity to become task force members. A majority of task force members must be persons of color.

(c) Members of the task force serve without compensation. By February 15, 2009, the task force must submit a written proposal to the education policy and finance committees of the legislature on how to significantly improve students' academic achievement.

(d) The advisory task force expires on February 16, 2009.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 48. **ADVISORY TASK FORCE; INTEGRATING SECONDARY AND POSTSECONDARY ACADEMIC AND CAREER EDUCATION.**

(a) An advisory task force on improving teacher quality and identifying institutional structures and strategies for effectively integrating secondary and postsecondary academic and career education is established to consider and recommend to the education policy and finance committees of the legislature proposals on how to:

(1) foster classroom teachers' interest and ability to acquire a master's degree in the teachers' substantive fields of licensure; and

(2) meet all elementary and secondary students' needs for adequate education planning and preparation and improve all students' ability to acquire the knowledge and skills needed for postsecondary academic and career education.

(b) The commissioner of education, or the commissioner's designee, shall appoint an advisory task force that is composed of a representative from each of the following entities: Education Minnesota, the University of Minnesota, the Department of Education, the Board of Teaching, the Minnesota Private College Council, the Office of Higher Education, the Minnesota Career College Association, the Minnesota PTA, the Minnesota Chamber of Commerce, the Minnesota Business Partnership, the Department of Employment and Economic Development, the Minnesota Association of Career and Technical Administrators, the Minnesota Association of Career and Technical Educators, the Minnesota State Colleges and Universities, and other representatives of other entities recommended by task force members. Members of the task force serve without compensation. By February 15, 2009, the task

force must submit written recommendations to the education policy and finance committees of the legislature on improving teacher quality and identifying the institutional structures and strategies for effectively integrating secondary and postsecondary academic and career education, consistent with this section.

(c) Upon request, the commissioner of education must provide the task force with technical, fiscal, and other support services.

(d) The advisory task force expires February 16, 2009.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 49. **COMPUTER ADAPTIVE ASSESSMENTS.**

The Department of Education, by December 1, 2008, must report to the education committees of the legislature on its efforts to add a computer adaptive assessment that includes formative analytics to the Minnesota's comprehensive assessment administered under Minnesota Statutes, section 120B.30.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 50. **DEPARTMENT OF EDUCATION REPORT.**

The Department of Education must submit a report to the education committees of the legislature by January 15, 2009, analyzing existing stand-alone school district reporting requirements and recommend the elimination of any district reports that are duplicative of other data already collected by the department.

Sec. 51. **REVIVAL AND REENACTMENT.**

Minnesota Statutes, section 124D.10, subdivision 2a, is revived and reenacted effective retroactively and without interruption from June 30, 2007.

ARTICLE 3

SPECIAL PROGRAMS

Section 1. Minnesota Statutes 2006, section 124D.60, subdivision 1, is amended to read:

Subdivision 1. **Notice.** Within ~~ten~~ 30 days after the enrollment of any pupil in an instructional program for limited English proficient students, the district in which the pupil resides must notify the parent by mail. This notice must:

- (1) be in writing in English and in the primary language of the pupil's parents;
- (2) inform the parents that their child has been enrolled in an instructional program for limited English proficient students;
- (3) contain a simple, nontechnical description of the purposes, method and content of the program;
- (4) inform the parents that they have the right to visit the educational program for limited English proficient students in which their child is enrolled;

(5) inform the parents of the time and manner in which to request and receive a conference for the purpose of explaining the nature and purpose of the program; and

(6) inform the parents of their rights to withdraw their child from an educational program for limited English proficient students and the time and manner in which to do so.

The department shall, at the request of the district, prepare the notice in the primary language of the parent.

Sec. 2. Minnesota Statutes 2007 Supplement, section 125A.14, is amended to read:

125A.14 EXTENDED SCHOOL YEAR.

A district may provide extended school year services for children with a disability living within the district and nonresident children temporarily placed in the district pursuant to section 125A.15 ~~or 125A.16~~. Prior to March 31 or 30 days after the child with a disability is placed in the district, whichever is later, the providing district shall give notice to the district of residence of any nonresident children temporarily placed in the district pursuant to section 125A.15 ~~or 125A.16~~, of its intention to provide these programs. Notwithstanding any contrary provisions in sections 125A.15 ~~and 125A.16~~, the district providing the special instruction and services must apply for special education aid for the extended school year services. The unreimbursed actual cost of providing the program for nonresident children with a disability, including the cost of board and lodging, may be billed to the district of the child's residence and must be paid by the resident district. Transportation costs must be paid by the district responsible for providing transportation pursuant to section 125A.15 ~~or 125A.16~~ and transportation aid must be paid to that district.

Sec. 3. Minnesota Statutes 2006, section 125A.15, is amended to read:

125A.15 PLACEMENT IN ANOTHER DISTRICT; RESPONSIBILITY.

The responsibility for special instruction and services for a child with a disability temporarily placed in another district for care and treatment shall be determined in the following manner:

(a) The district of residence of a child shall be the district in which the child's parent resides, if living, or the child's guardian, or the district designated by the commissioner if neither parent nor guardian is living within the state.

(b) If a district other than the resident district places a pupil for care and treatment, the district placing the pupil must notify and give the resident district an opportunity to participate in the placement decision. When an immediate emergency placement of a pupil is necessary and time constraints foreclose a resident district from participating in the emergency placement decision, the district in which the pupil is temporarily placed must notify the resident district of the emergency placement within 15 days. The resident district has up to five business days after receiving notice of the emergency placement to request an opportunity to participate in the placement decision, which the placing district must then provide.

(c) When a child is temporarily placed for care and treatment in a day program located in another district and the child continues to live within the district of residence during the care and treatment, the district of residence is responsible for providing transportation to and from the care and treatment facility program and an appropriate educational program for the child. The resident district may establish reasonable restrictions on transportation, except if a Minnesota court or agency orders the child placed at a day care and treatment program and the resident district receives a copy of the order, then the resident district must provide transportation to and from the program unless the court or agency orders otherwise. Transportation shall only be provided by the resident district during regular operating hours of the resident district. The resident district may provide the educational program at a school within the district of residence, at the child's residence, or in the district in which the day treatment center is located by paying tuition to that district.

~~(e)~~ (d) When a child is temporarily placed in a residential program for care and treatment, the nonresident district in which the child is placed is responsible for providing an appropriate educational program for the child and necessary transportation while the child is attending the educational program; and must bill the district of the child's residence for the actual cost of providing the program, as outlined in section 125A.11, except as provided in paragraph ~~(d)~~ (e). However, the board, lodging, and treatment costs incurred in behalf of a child with a disability placed outside of the school district of residence by the commissioner of human services or the commissioner of corrections or their agents, for reasons other than providing for the child's special educational needs must not become the responsibility of either the district providing the instruction or the district of the child's residence. For the purposes of this section, the state correctional facilities operated on a fee-for-service basis are considered to be residential programs for care and treatment.

~~(d)~~ (e) A privately owned and operated residential facility may enter into a contract to obtain appropriate educational programs for special education children and services with a joint powers entity. The entity with which the private facility contracts for special education services shall be the district responsible for providing students placed in that facility an appropriate educational program in place of the district in which the facility is located. If a privately owned and operated residential facility does not enter into a contract under this paragraph, then paragraph ~~(e)~~ (d) applies.

~~(e)~~ (f) The district of residence shall pay tuition and other program costs, not including transportation costs, to the district providing the instruction and services. The district of residence may claim general education aid for the child as provided by law. Transportation costs must be paid by the district responsible for providing the transportation and the state must pay transportation aid to that district.

EFFECTIVE DATE. This section is effective the day after final enactment.

Sec. 4. Minnesota Statutes 2006, section 125A.51, is amended to read:

125A.51 PLACEMENT OF CHILDREN WITHOUT DISABILITIES; EDUCATION AND TRANSPORTATION.

The responsibility for providing instruction and transportation for a pupil without a disability who has a short-term or temporary physical or emotional illness or disability, as determined by the standards of the commissioner, and who is temporarily placed for care and treatment for that illness or disability, must be determined as provided in this section.

(a) The school district of residence of the pupil is the district in which the pupil's parent or guardian resides.

(b) When parental rights have been terminated by court order, the legal residence of a child placed in a residential or foster facility for care and treatment is the district in which the child resides.

(c) Before the placement of a pupil for care and treatment, the district of residence must be notified and provided an opportunity to participate in the placement decision. When an immediate emergency placement is necessary and time does not permit resident district participation in the placement decision, the district in which the pupil is temporarily placed, if different from the district of residence, must notify the district of residence of the emergency placement within 15 days of the placement. When a nonresident district makes an emergency placement without first consulting with the resident district, the resident district has up to five business days after receiving notice of the emergency placement to request an opportunity to participate in the placement decision, which the placing district must then provide.

(d) When a pupil without a disability is temporarily placed for care and treatment in a day program and the pupil continues to live within the district of residence during the care and treatment, the district of residence must provide instruction and necessary transportation to and from the care and treatment facility program for the pupil. The resident district may establish reasonable restrictions on transportation, except if a Minnesota court or agency orders the child placed at a day care and treatment program and the resident district receives a copy of the order, then the resident district must provide transportation to and from the program unless the court or agency orders otherwise. Transportation shall only be provided by the resident district during regular operating hours of the resident district. The resident district may provide the instruction at a school within the district of residence, at the pupil's residence, or in the case of a placement outside of the resident district, in the district in which the day treatment program is located by paying tuition to that district. The district of placement may contract with a facility to provide instruction by teachers licensed by the state Board of Teaching.

(e) When a pupil without a disability is temporarily placed in a residential program for care and treatment, the district in which the pupil is placed must provide instruction for the pupil and necessary transportation while the pupil is receiving instruction, and in the case of a placement outside of the district of residence, the nonresident district must bill the district of residence for the actual cost of providing the instruction for the regular school year and for summer school, excluding transportation costs.

(f) Notwithstanding paragraph (e), if the pupil is homeless and placed in a public or private homeless shelter, then the district that enrolls the pupil under section 127A.47, subdivision 2, shall provide the transportation, unless the district that enrolls the pupil and the district in which the pupil is temporarily placed agree that the district in which the pupil is temporarily placed shall provide transportation. When a pupil without a disability is temporarily placed in a residential program outside the district of residence, the administrator of the court placing the pupil must send timely written notice of the placement to the district of residence. The district of placement may contract with a residential facility to provide instruction by teachers licensed by the state Board of Teaching. For purposes of this section, the state correctional facilities operated on a fee-for-service basis are considered to be residential programs for care and treatment.

(g) The district of residence must include the pupil in its residence count of pupil units and pay tuition as provided in section 123A.488 to the district providing the instruction. Transportation costs must be paid by the district providing the transportation and the state must pay transportation aid to that district. For purposes of computing state transportation aid, pupils governed by this subdivision must be included in the disabled transportation category if the pupils cannot be transported on a regular school bus route without special accommodations.

EFFECTIVE DATE. This section is effective the day after final enactment.

Sec. 5. Minnesota Statutes 2006, section 125A.744, subdivision 3, is amended to read:

Subd. 3. **Implementation.** Consistent with section 256B.0625, subdivision 26, school districts may enroll as medical assistance providers or subcontractors and bill the Department of Human Services under the medical assistance fee for service claims processing system for special education services which are covered services under chapter 256B, which are provided in the school setting for a medical assistance recipient, and for whom the district has secured informed consent consistent with section 13.05, subdivision 4, paragraph (d), and section 256B.77, subdivision 2, paragraph (p), to bill for each type of covered service. School districts shall be reimbursed by the commissioner of human services for the federal share of individual education plan health-related services that qualify for reimbursement by medical assistance, minus up to five percent retained by the commissioner of human services for administrative costs, ~~not to exceed \$350,000 per fiscal year.~~ The commissioner may withhold up to five percent of each payment to a school district. Following the end of each fiscal year, the commissioner shall settle up with each school district in order to ensure that collections from each district for departmental administrative costs are made on a pro rata basis according to federal earnings for these services in each district. A school district is not

eligible to enroll as a home care provider or a personal care provider organization for purposes of billing home care services under sections 256B.0651 and 256B.0653 to 256B.0656 until the commissioner of human services issues a bulletin instructing county public health nurses on how to assess for the needs of eligible recipients during school hours. To use private duty nursing services or personal care services at school, the recipient or responsible party must provide written authorization in the care plan identifying the chosen provider and the daily amount of services to be used at school.

Sec. 6. Laws 2007, chapter 146, article 3, section 23, subdivision 2, is amended to read:

Subd. 2. **Report.** (a) The task force must submit to the education policy and finance committees of the legislature by February 15, ~~2008~~ 2009, a report that identifies and clearly and concisely explains each provision in state law or rule that exceeds ~~or expands upon~~ a minimum federal requirement contained in law or regulation for providing special education programs and services to eligible students. The report also must recommend which state ~~provisions statutes and rules~~ that exceed ~~or expand upon~~ a minimum federal requirement may be amended to conform with minimum federal requirements or made more effective as determined by a majority of the task force members. The task force must recommend rules governing the use of aversive and deprivation procedures by school district employees or persons under contract with a school district. The task force expires when it submits its report to the legislature.

(b) Consistent with subdivision 1, the Department of Education member of the task force representing regulators shall be replaced with a parent advocate selected by a statewide organization that advocates on behalf of families with children with disabilities.

(c) The Department of Education must provide technical assistance at the request of the task force.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 7. **EXPEDITED PROCESS, SPECIFIC LEARNING DISABILITY RULE.**

The commissioner of education may use the expedited process under Minnesota Statutes, section 14.389, to conform Minnesota Rule, part 3525.1341, to new federal requirements on specific learning disabilities under Public Law 108-446, Sections 602(30) and 614(b)(6), the Individuals with Disabilities Education Improvement Act of 2004, and its implementing regulations.

EFFECTIVE DATE. This section is effective the day after final enactment.

Sec. 8. **REPEALER.**

Minnesota Statutes 2006, sections 121A.67; 125A.16; 125A.19; 125A.20; and 125A.57, and Laws 2006, chapter 263, article 3, section 16, are repealed.

EFFECTIVE DATE. This section is effective the day following final enactment.

ARTICLE 4

LIBRARIES

Section 1. Minnesota Statutes 2007 Supplement, section 134.31, subdivision 4a, is amended to read:

Subd. 4a. **Services to the blind and physically handicapped.** The Minnesota Department of Education shall provide specialized services to the blind and physically handicapped through the Minnesota Braille and Talking Book Library for the Blind and Physically Handicapped under a cooperative plan with the National Library Services for the Blind and Physically Handicapped of the Library of Congress.

Sec. 2. Minnesota Statutes 2006, section 134.31, subdivision 6, is amended to read:

Subd. 6. **Advisory committee.** The commissioner shall appoint an advisory committee of five members to advise the staff of the Minnesota Braille and Talking Book Library ~~for the Blind and Physically Handicapped~~ on long-range plans and library services. Members shall be people who use the library. Section 15.059 governs this committee except that the committee shall not expire.

Sec. 3. Minnesota Statutes 2006, section 134.31, is amended by adding a subdivision to read:

Subd. 7. **Telephone or electronic meetings.** (a) Notwithstanding section 13D.01, the Advisory Committee for the Minnesota Braille and Talking Book Library may conduct a meeting of its members by telephone or other electronic means so long as the following conditions are met:

(1) all members of the committee participating in the meeting, wherever their physical locations, can hear one another and can hear all discussion and testimony;

(2) members of the public present at the regular meeting location of the committee can hear all discussion, testimony, and votes of the members of the committee;

(3) at least one member of the committee is physically present at the regular meeting location; and

(4) all votes are conducted by roll call, so each member's votes on each issue can be identified and recorded.

(b) Each member of the committee participating in a meeting by telephone or other electronic means is considered present at the meeting for purposes of determining quorum and participating in all proceedings.

(c) If telephone or other electronic means is used to conduct a meeting, to the extent practical, the committee shall allow a person to monitor the meeting electronically from a remote location. The committee may require the person making the connection to pay for the documented marginal costs that the committee incurs as a result of the additional connection.

(d) If telephone or other electronic means is used to conduct a regular, special, or emergency meeting, the committee shall provide notice of the regular meeting location, the fact that some members may participate by telephone or other electronic means, and the provisions of paragraph (c). The timing and method of providing notice is governed by section 13D.04.

ARTICLE 5

STATE AGENCIES

Section 1. Minnesota Statutes 2006, section 125A.65, subdivision 4, is amended to read:

Subd. 4. **Unreimbursed costs.** (a) For fiscal year 2006, in addition to the tuition charge allowed in subdivision 3, the academies may charge the child's district of residence for the academy's unreimbursed cost of providing an instructional aide assigned to that child, after deducting the special education aid under section 125A.76, attributable to the child, if that aide is required by the child's individual education plan. Tuition received under this paragraph must be used by the academies to provide the required service.

(b) For fiscal year ~~2007~~ 2008 and later, the special education aid paid to the academies shall be increased by the academy's unreimbursed cost of providing ~~an~~ one to one instructional ~~aide~~ aides and behavioral management aides assigned to a child, after deducting the special education aid under section 125A.76 attributable to the child, if ~~that aide is~~ the aides are required by the child's individual education plan. Aid received under this paragraph must be used by the academies to provide the required service.

(c) For fiscal year ~~2007~~ 2008 and later, the special education aid paid to the district of the child's residence shall be reduced by the amount paid to the academies for district residents under paragraph (b).

(d) Notwithstanding section 127A.45, subdivision 3, beginning in fiscal year 2008, the commissioner shall make an estimated final adjustment payment to the Minnesota State Academies for general education aid and special education aid for the prior fiscal year by August 15.

(e) For fiscal year 2008, the academies may retain receipts received through mutual agreements with school districts for one to one behavior management aides.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. Minnesota Statutes 2006, section 125A.65, is amended by adding a subdivision to read:

Subd. 11. **Third-party reimbursement.** The Minnesota State Academies must seek reimbursement under section 125A.21 from third parties for the cost of services provided by the Minnesota State Academies whenever the services provided are otherwise covered by a child's public or private health plan.

EFFECTIVE DATE. This section is effective the day following final enactment for revenue in fiscal year 2008.

ARTICLE 6

SELF-SUFFICIENCY AND LIFELONG LEARNING

Section 1. Minnesota Statutes 2006, section 120A.22, subdivision 5, is amended to read:

Subd. 5. **Ages and terms.** (a) Every child between seven and 16 years of age must receive instruction. Every child under the age of seven who is enrolled in a half-day kindergarten, or a full-day kindergarten program on alternate days, or other kindergarten programs shall receive instruction. ~~Except as provided in subdivision 6, a parent may withdraw a child under the age of seven from enrollment at any time.~~

(b) A school district by annual board action may require children subject to this subdivision to receive instruction in summer school. A district that acts to require children to receive instruction in summer school shall establish at the time of its action the criteria for determining which children must receive instruction.

EFFECTIVE DATE. This section is effective for the 2008-2009 school year and later.

Sec. 2. Minnesota Statutes 2006, section 120A.22, subdivision 6, is amended to read:

Subd. 6. **Children under seven.** (a) Once a pupil under the age of seven is enrolled in ~~kindergarten~~ first grade or a higher grade in a public school, the pupil is subject to the compulsory attendance provisions of this chapter and section 120A.34, unless the board of the district in which the pupil is enrolled has a policy that exempts children under seven from this subdivision or paragraph (b) applies.

~~(b) In a district in which children under seven are subject to compulsory attendance under this subdivision, paragraphs (c) to (e) apply.~~

~~(c) A parent or guardian may withdraw the pupil from enrollment in the school for good cause by notifying the district. Good cause includes, but is not limited to, enrollment of the pupil in another school, as defined in subdivision 4, or the immaturity of the child.~~

~~(d) When the pupil enrolls, the enrolling official must provide the parent or guardian who enrolls the pupil with a written explanation of the provisions of this subdivision.~~

~~(e) A pupil under the age of seven who is withdrawn from enrollment in the public school under paragraph (c) is no longer subject to the compulsory attendance provisions of this chapter.~~

~~(f) (b) This subdivision does not apply to:~~

~~(1) a kindergartner under age seven whose parent withdraws the child after notifying the district; and~~

~~(2) a child under age seven enrolled in first grade whose parent withdraws the child after notifying the district and enrolls the child in another school under subdivision 4.~~

~~(c) In a district that had adopted a policy to exempt children under seven from this subdivision, the district's chief attendance officer must keep the truancy enforcement authorities supplied with a copy of the board's current policy certified by the clerk of the board.~~

EFFECTIVE DATE. This section is effective for the 2008-2009 school year and later.

Sec. 3. Minnesota Statutes 2007 Supplement, section 124D.13, subdivision 11, is amended to read:

Subd. 11. **Teachers.** A school board must employ necessary qualified licensed teachers ~~licensed in early childhood or parent education~~ for its early childhood family education programs. The Board of Teaching, at its discretion, may grant an applicant a variance under this subdivision, consistent with sections 122A.09, subdivision 10, and 122A.25, and Board of Teaching rules.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 4. Minnesota Statutes 2006, section 124D.19, subdivision 14, is amended to read:

Subd. 14. **Community education; annual report.** Each district offering a community education program under this section must annually complete a program report to the department ~~information regarding the cost per participant and cost per contact hour for each community education program, including youth after school enrichment programs, that receives aid or levy. The department must include cost per participant and cost per contact hour information by program in the community education annual report.~~

EFFECTIVE DATE. This section is effective for the 2008-2009 school year and later.

Sec. 5. Minnesota Statutes 2006, section 124D.522, is amended to read:

124D.522 ADULT BASIC EDUCATION SUPPLEMENTAL SERVICE GRANTS.

(a) The commissioner, in consultation with the policy review task force under section 124D.521, may make grants to nonprofit organizations to provide services that are not offered by a district adult basic education program or that are supplemental to either the statewide adult basic education program, or a district's adult basic education program. The commissioner may make grants for: staff development for adult basic education teachers and administrators; training for volunteer tutors; training, services, and materials for serving disabled students through adult basic education programs; statewide promotion of adult basic education services and programs; development and dissemination of instructional and administrative technology for adult basic education programs; programs which primarily serve communities of color; adult basic education distance learning projects, including television instruction programs; and other supplemental services to support the mission of adult basic education and innovative delivery of adult basic education services.

(b) The commissioner must establish eligibility criteria and grant application procedures. Grants under this section must support services throughout the state, focus on educational results for adult learners, and promote outcome-based achievement through adult basic education programs. Beginning in fiscal year 2002, the commissioner may make grants under this section from the state total adult basic education aid set aside for supplemental service grants under section 124D.531. Up to one-fourth of the appropriation for supplemental service grants must be used for grants for adult basic education programs to encourage and support innovations in adult basic education instruction and service delivery. A grant to a single organization cannot exceed ~~\$100,000~~ 25 percent of the total supplemental services aid. Nothing in this section prevents an approved adult basic education program from using state or federal aid to purchase supplemental services.

Sec. 6. Minnesota Statutes 2007 Supplement, section 124D.531, subdivision 1, is amended to read:

Subdivision 1. **State total adult basic education aid.** (a) The state total adult basic education aid for fiscal year 2005 is \$36,509,000. The state total adult basic education aid for fiscal year 2006 equals \$36,587,000 plus any amount that is not paid for during the previous fiscal year, as a result of adjustments under subdivision 4, paragraph (a), or section 124D.52, subdivision 3. The state total adult basic education aid for fiscal year 2007 equals \$37,673,000 plus any amount that is not paid for during the previous fiscal year, as a result of adjustments under subdivision 4, paragraph (a), or section 124D.52, subdivision 3. The state total adult basic education aid for fiscal year 2008 equals \$40,650,000, plus any amount that is not paid during the previous fiscal year as a result of adjustments under subdivision 4, paragraph (a), or section 124D.52, subdivision 3. The state total adult basic education aid for later fiscal years equals:

(1) the state total adult basic education aid for the preceding fiscal year plus any amount that is not paid for during the previous fiscal year, as a result of adjustments under subdivision 4, paragraph (a), or section 124D.52, subdivision 3; times

(2) the lesser of:

(i) 1.03; or

(ii) ~~the greater of 1.00 or the ratio of the state total contact hours in the first prior program year to the state total contact hours in the second prior program year~~ the average growth in state total contact hours over the prior ten program years.

Beginning in fiscal year 2002, two percent of the state total adult basic education aid must be set aside for adult basic education supplemental service grants under section 124D.522.

(b) The state total adult basic education aid, excluding basic population aid, equals the difference between the amount computed in paragraph (a), and the state total basic population aid under subdivision 2.

Sec. 7. Minnesota Statutes 2006, section 124D.55, is amended to read:

124D.55 GENERAL EDUCATION DEVELOPMENT (GED) TEST FEES.

The commissioner shall pay 60 percent of the fee that is charged to an eligible individual for the full battery of a general education development (GED) test, but not more than ~~\$20~~ \$40 for an eligible individual."

Delete the title and insert:

"A bill for an act relating to education; providing for prekindergarten through grade 12 education, including general education, education excellence, special programs, libraries, state agencies, and self-sufficiency and lifelong learning; authorizing rulemaking; appropriating money; amending Minnesota Statutes 2006, sections 13.32, by

adding a subdivision; 120A.22, subdivisions 5, 6; 120B.02; 120B.023, subdivision 2; 120B.131, subdivision 2; 120B.31, as amended; 120B.35, as amended; 120B.36, as amended; 120B.362; 121A.55; 122A.07, subdivisions 2, 3; 122A.09, subdivision 4; 122A.14, by adding subdivisions; 122A.18, by adding a subdivision; 122A.60; 122A.61, subdivision 1; 122A.75, subdivision 1; 123B.03, subdivisions 1, 2, by adding a subdivision; 123B.14, subdivision 7; 123B.51, by adding a subdivision; 123B.77, subdivision 3; 123B.81, subdivisions 3, 5; 123B.83, subdivision 3; 124D.10, subdivisions 2a, 4a, 6, 6a, 7, 8, 23; 124D.19, subdivision 14; 124D.522; 124D.55; 124D.60, subdivision 1; 124D.86, subdivision 1; 125A.15; 125A.51; 125A.65, subdivision 4, by adding a subdivision; 125A.744, subdivision 3; 126C.40, subdivision 6; 134.31, subdivision 6, by adding a subdivision; 471.88, by adding a subdivision; Minnesota Statutes 2007 Supplement, sections 120B.021, subdivision 1; 120B.15; 120B.30; 123B.143, subdivision 1; 123B.81, subdivision 4; 124D.095, subdivision 4; 124D.10, subdivisions 4, 23a; 124D.13, subdivision 11; 124D.531, subdivision 1; 125A.14; 126C.10, subdivision 34; 127A.49, subdivisions 2, 3; 134.31, subdivision 4a; Laws 2007, chapter 146, article 3, section 23, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 120B; 124D; 125B; repealing Minnesota Statutes 2006, sections 121A.67; 125A.16; 125A.19; 125A.20; 125A.57; Laws 2006, chapter 263, article 3, section 16."

The motion prevailed and the amendment was adopted.

Mariani moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 13, delete section 7

Page 14, delete section 8

Page 18, delete section 9

Page 20, delete section 10

Page 23, delete section 11

Page 26, delete section 12

Page 27, delete section 13

Page 35, delete section 23

Page 36, delete section 24

Page 37, delete section 25

Page 49, line 15, after "compensation" insert "of any kind for any purpose"

Page 51, delete section 41

Page 52, delete sections 42 and 43

Page 53, delete section 44

Page 54, delete section 45

Page 56, line 33, delete "state demographer" and insert "education commissioner"

Page 57, line 27, after "compensation" insert "of any kind for any purpose"

Page 58, line 20, after "compensation" insert "of any kind for any purpose"

Page 59, delete section 50

Page 64, delete section 6

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Seifert moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 9, after line 9, insert:

"Sec. 2. Minnesota Statutes 2006, section 120A.41, is amended to read:

120A.41 LENGTH OF SCHOOL YEAR; DAYS OF INSTRUCTION.

(a) A school board's annual school calendar must include at least the number of days of student instruction the board formally adopted as its school calendar at the beginning of the 1996-1997 school year.

(b) Consistent with paragraph (a), the length of a school day must at least equal the length of a day of student instruction in the school calendar that the school board formally adopted at the beginning of the 2007-2008 school year. A school board, at its discretion, may increase the length of a day of student instruction beyond the minimum established in this paragraph.

EFFECTIVE DATE. This section is effective for the 2008-2009 school year and later."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Seifert amendment and the roll was called. There were 59 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Abeler	Berns	Buesgens	Dean	Drazkowski	Erhardt
Anderson, B.	Brod	Bunn	DeLaForest	Eastlund	Erickson
Anderson, S.	Brown	Cornish	Dettmer	Emmer	Faust

Finstad	Holberg	Loeffler	Paulsen	Severson	Wardlow
Garofalo	Hoppe	Magnus	Pelowski	Shimanski	Welti
Gottwalt	Howes	McFarlane	Peppin	Simpson	Westrom
Gunther	Kohls	McNamara	Peterson, N.	Slawik	Winkler
Hackbarth	Lanning	Nornes	Poppe	Smith	Wollschlager
Hamilton	Lesch	Olson	Ruth	Thissen	Zellers
Heidgerken	Lillie	Ozment	Seifert	Tingelstad	

Those who voted in the negative were:

Anzelc	Dominguez	Hosch	Liebling	Murphy, M.	Simon
Atkins	Doty	Huntley	Lieder	Nelson	Slocum
Benson	Eken	Jaros	Madore	Norton	Solberg
Bigham	Fritz	Johnson	Mahoney	Olin	Swails
Bly	Gardner	Juhnke	Mariani	Otremba	Thao
Brynaert	Greiling	Kahn	Marquart	Paymar	Tillberry
Carlson	Hansen	Kalin	Masin	Peterson, A.	Tschumper
Clark	Hausman	Knuth	Moe	Peterson, S.	Urdahl
Davnie	Haws	Koenen	Morgan	Rukavina	Wagenius
Demmer	Hilstrom	Kranz	Morrow	Ruud	Walker
Dill	Hilty	Laine	Mullery	Sailer	Ward
Dittrich	Hortman	Lenczewski	Murphy, E.	Sertich	Spk. Kelliher

The motion did not prevail and the amendment was not adopted.

Abeler, Wardlow, Dittrich, Benson and Urdahl moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 13, after line 10, insert:

"Sec. 6. Minnesota Statutes 2006, section 120B.11, subdivision 5, is amended to read:

Subd. 5. **Report.** (a) By October 1 of each year, the school board shall use standard statewide reporting procedures the commissioner develops and adopt a report that includes the following:

(1) student achievement goals for meeting state academic standards;

(2) results of local assessment data, and any additional test data;

(3) evidence of student achievement in subject areas under section 120B.021, subdivision 1, for which locally developed or statewide academic standards apply and statewide assessments are not developed, and which shall be presented at a local public meeting convened for the purpose of presenting the evidence;

~~(3)~~ (4) the annual school district improvement plans including staff development goals under section 122A.60;

~~(4)~~ (5) information about district and learning site progress in realizing previously adopted improvement plans; and

~~(5)~~ (6) the amount and type of revenue attributed to each education site as defined in section 123B.04.

(b) The school board shall publish the report in the local newspaper with the largest circulation in the district, by mail, or by electronic means such as the district Web site. If electronic means are used, school districts must publish notice of the report in a periodical of general circulation in the district. School districts must make copies of the report available to the public on request. The board shall make a copy of the report available to the public for inspection. The board shall send a copy of the report to the commissioner of education by October 15 of each year.

(c) The title of the report shall contain the name and number of the school district and read "Annual Report on Curriculum, Instruction, and Student Achievement." The report must include at least the following information about advisory committee membership:

- (1) the name of each committee member and the date when that member's term expires;
- (2) the method and criteria the school board uses to select committee members; and
- (3) the date by which a community resident must apply to next serve on the committee."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Swails moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 51, after line 24, insert:

"Sec. 41. **[127A.70] MINNESOTA P-20 EDUCATION PARTNERSHIP.**

Subdivision 1. **Establishment; membership.** (a) A P-20 education partnership is established to create a seamless system of education that maximizes achievements of all students, from early childhood through elementary, secondary, and postsecondary education, while promoting the efficient use of financial and human resources. The partnership shall consist of major statewide educational groups or constituencies or noneducational statewide organizations with a stated interest in P-20 education. The initial membership of the partnership includes the members serving on the Minnesota P-16 Education Partnership and four legislators appointed as follows:

(1) one senator from the majority party and one senator from the minority party, appointed by the Subcommittee on Committees of the Committee on Rules and Administration; and

(2) one member of the house of representatives appointed by the speaker of the house and one member appointed by the minority leader of the house.

The chair of the P-16 education partnership must convene the first meeting of the P-20 partnership. Prospective members may be nominated by any partnership member and new members will be added with the approval of a two-thirds majority of the partnership. The partnership will also seek input from nonmember organizations whose expertise can help inform the partnership's work.

Partnership members shall be represented by the chief executives, presidents, or other formally designated leaders of their respective organizations, or their designees. The partnership shall meet at least three times during each calendar year.

Subd. 2. **Powers and duties; report.** The partnership shall develop recommendations to the governor and the legislature designed to maximize the achievement of all P-20 students while promoting the efficient use of state resources, thereby helping the state realize the maximum value for its investment. These recommendations may include, but are not limited to, strategies, policies, or other actions focused on:

(1) improving the quality of and access to education at all points from preschool through the graduate education;

(2) improving preparation for, and transitions to, postsecondary education and work; and

(3) ensuring educator quality by creating rigorous standards for teacher recruitment, teacher preparation, induction and mentoring of beginning teachers, and continuous professional development for career teachers.

By January 15 of each year, the partnership shall submit a report to the governor and to the chairs and ranking minority members of the legislative committees and divisions with jurisdiction over P-20 education policy and finance that summarizes the partnership's progress in meeting its goals and identifies the need for any draft legislation when necessary to further the goals of the partnership to maximize student achievement while promoting efficient use of resources.

Subd. 3. **Expiration.** Notwithstanding section 15.059, subdivision 5, the partnership is permanent and does not expire."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

The Speaker called Pelowski to the Chair.

Demmer, Brod, Erickson and Eastlund moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 52, after line 3, insert:

"Sec. 42. Laws 2007, chapter 146, article 1, section 23, is amended to read:

Sec. 23. **SCHOOL FINANCE REFORM; TASK FORCE ESTABLISHED.**

Subdivision 1. **Task force established.** A School Finance Reform Task Force is established.

Subd. 2. **Task force goals.** The goals of the School Finance Reform Task Force include:

(1) creating a standard and index to ensure that the formula remains adequate over time;

(2) simplifying the remaining school formulas;

(3) analyzing categorical funding formulas, including but not limited to pupil transportation, compensatory revenue, and limited English proficiency revenue;

(4) establishing a schedule for implementation of the other new formulas;

(5) identifying inequities causing school districts to hold local operating referenda and recommending state financing mechanisms or formulas to eliminate inequities; and

~~(5)~~ (6) examining the role of the regional delivery structure including the functions performed by intermediate school districts, service cooperatives, education districts, and other cooperative organizations.

Subd. 3. **Task force members.** The task force consists of nine members. Membership includes the commissioner of education, four members appointed according to the rules of the senate by the senate Committee on Rules and Administration Subcommittee on Committees, and four members appointed by the speaker of the house.

Subd. 4. **Task force recommendations.** The task force must submit a report to the education committees of the legislature by ~~January 15, 2008~~ February 1, 2009, describing the formula recommendations according to the goals it has established.

EFFECTIVE DATE. This section is effective the day following final enactment."

ReNUMBER the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Demmer et al amendment and the roll was called. There were 56 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Hackbarth	Liebling	Peppin	Urdahl
Anderson, B.	Drazkowski	Hamilton	Magnus	Peterson, N.	Ward
Anderson, S.	Eastlund	Heidgerken	McFarlane	Poppe	Wardlow
Berns	Emmer	Holberg	McNamara	Ruth	Welti
Brod	Erhardt	Hoppe	Moe	Seifert	Westrom
Brown	Erickson	Hosch	Nornes	Severson	Zellers
Cornish	Finstad	Howes	Olson	Shimanski	
Dean	Garofalo	Kalin	Otremba	Simpson	
DeLaForest	Gottwalt	Kohls	Ozment	Smith	
Demmer	Gunther	Lanning	Paulsen	Tingelstad	

Those who voted in the negative were:

Anzelc	Davnie	Hansen	Kahn	Madore	Nelson
Atkins	Dill	Hausman	Knuth	Mahoney	Norton
Benson	Dittrich	Haws	Koenen	Mariani	Olin
Bigham	Dominguez	Hilstrom	Kranz	Marquart	Paymar
Bly	Doty	Hilty	Laine	Masin	Pelowski
Brynaert	Eken	Hortman	Lenczewski	Morgan	Peterson, A.
Buesgens	Faust	Huntley	Lesch	Morrow	Peterson, S.
Bunn	Fritz	Jaros	Lieder	Mullery	Rukavina
Carlson	Gardner	Johnson	Lillie	Murphy, E.	Ruud
Clark	Greiling	Juhnke	Loeffler	Murphy, M.	Sailer

Sertich	Slocum	Thao	Tschumper	Winkler
Simon	Solberg	Thissen	Wagenius	Wollschlager
Slawik	Swails	Tillberry	Walker	Spk. Kelliher

The motion did not prevail and the amendment was not adopted.

Mullery and Severson moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 8, after line 28, insert:

"Section 1. Minnesota Statutes 2006, section 13.32, is amended by adding a subdivision to read:

Subd. 8a. Access to student records; school conferences. (a) A parent or guardian of a student may designate an individual, defined under paragraph (c), to participate in a school conference involving the child of the parent or guardian. The parent or guardian must provide the school with prior written consent allowing the significant individual to participate in the conference and to receive any data on the child of the consenting parent or guardian that is necessary and relevant to the conference discussions. The consenting parent or guardian may withdraw consent, in writing, at any time.

(b) A school may accept the following form, or another consent to release student data form, as sufficient to meet the requirements of this subdivision:

"CONSENT TO PARTICIPATE IN CONFERENCES AND RECEIVE STUDENT DATA

I, (Name of parent or guardian), as parent or guardian of (Name of child), consent to allow (Name of an individual) to participate in school conferences and receive student data relating to the above-named child, consistent with Minnesota Statutes, section 13.32, subdivision 8a. I understand that I may withdraw my consent, upon written request, at any time.

(Signature of parent or guardian)

(Date)"

(c) For purposes of this section, "an individual" means one additional adult designated by a child's parent or guardian to attend school-related activities and conferences.

EFFECTIVE DATE. This section is effective for the 2008-2009 school year and later."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Holberg, Kahn and Murphy, M., moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 39, after line 5, insert:

"Sec. 28. Minnesota Statutes 2006, section 123B.57, subdivision 6, is amended to read:

Subd. 6. **Uses of health and safety revenue.** (a) Health and safety revenue may be used only for approved expenditures necessary to correct fire and life safety hazards, or for the removal or encapsulation of asbestos from school buildings or property owned or being acquired by the district, asbestos-related repairs, cleanup and disposal of polychlorinated biphenyls found in school buildings or property owned or being acquired by the district, or the cleanup, removal, disposal, and repairs related to storing heating fuel or transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section 296A.01, Minnesota occupational safety and health administration regulated facility and equipment hazards, indoor air quality mold abatement, upgrades or replacement of mechanical ventilation systems to meet American Society of Heating, Refrigerating and Air Conditioning Engineers standards and State Mechanical Code, Department of Health Food Code and swimming pool hazards excluding depth correction, and health, safety, and environmental management. Testing and calibration activities are permitted for existing mechanical ventilation systems at intervals no less than every five years. Health and safety revenue must not be used to finance a lease purchase agreement, installment purchase agreement, or other deferred payments agreement. Health and safety revenue must not be used for the construction of new facilities or the purchase of portable classrooms, for interest or other financing expenses, or for energy efficiency projects under section 123B.65. The revenue may not be used for a building or property or part of a building or property used for postsecondary instruction or administration or for a purpose unrelated to elementary and secondary education.

(b) Notwithstanding paragraph (a), health and safety revenue must not be used for replacement of building materials or facilities including roof, walls, windows, internal fixtures and flooring, nonhealth and safety costs associated with demolition of facilities, structural repair or replacement of facilities due to unsafe conditions, violence prevention and facility security, ergonomics, building and heating, ventilating and air conditioning supplies, maintenance, and cleaning activities. All assessments, investigations, inventories, and support equipment not leading to the engineering or construction of a project shall be included in the health, safety, and environmental management costs in subdivision 8, paragraph (a).

(c) Health and safety revenue may be used to contract for a site specific evaluation and impact report on the health and environmental effects of the use or installation of synthetic turf on an athletic playing field on school property.

Sec. 29. Minnesota Statutes 2006, section 123B.71, subdivision 9, is amended to read:

Subd. 9. **Information required.** A school board proposing to construct a facility described in subdivision 8 shall submit to the commissioner a proposal containing information including at least the following:

(1) the geographic area and population to be served, preschool through grade 12 student enrollments for the past five years, and student enrollment projections for the next five years;

(2) a list of existing facilities by year constructed, their uses, and an assessment of the extent to which alternate facilities are available within the school district boundaries and in adjacent school districts;

(3) a list of the specific deficiencies of the facility that demonstrate the need for a new or renovated facility to be provided, and a list of the specific benefits that the new or renovated facility will provide to the students, teachers, and community users served by the facility;

(4) the relationship of the project to any priorities established by the school district, educational cooperatives that provide support services, or other public bodies in the service area;

(5) a specification of how the project will increase community use of the facility and whether and how the project will increase collaboration with other governmental or nonprofit entities;

(6) a description of the project, including the specification of site and outdoor space acreage and square footage allocations for classrooms, laboratories, and support spaces; estimated expenditures for the major portions of the project; and the dates the project will begin and be completed;

(7) a specification of the source of financing the project; the scheduled date for a bond issue or school board action; a schedule of payments, including debt service equalization aid; and the effect of a bond issue on local property taxes by the property class and valuation;

(8) an analysis of how the proposed new or remodeled facility will affect school district operational or administrative staffing costs, and how the district's operating budget will cover any increased operational or administrative staffing costs;

(9) a description of the consultation with local or state road and transportation officials on school site access and safety issues, and the ways that the project will address those issues;

(10) a description of how indoor air quality issues have been considered and a certification that the architects and engineers designing the facility will have professional liability insurance;

(11) as required under section 123B.72, for buildings coming into service after July 1, 2002, a certification that the plans and designs for the extensively renovated or new facility's heating, ventilation, and air conditioning systems will meet or exceed code standards; will provide for the monitoring of outdoor airflow and total airflow of ventilation systems; and will provide an indoor air quality filtration system that meets ASHRAE standard 52.1;

(12) a specification of any desegregation requirements that cannot be met by any other reasonable means;

(13) a specification, if applicable, of how the facility will utilize environmentally sustainable school facility design concepts; ~~and~~

(14) a description of how the architects and engineers have considered the American National Standards Institute Acoustical Performance Criteria, Design Requirements and Guidelines for Schools of the maximum background noise level and reverberation times; and

(15) for projects that include installation of synthetic turf on an athletic playing field, a site specific evaluation and impact report on the health and environmental effects of the use or installation of synthetic turf on an athletic playing field on school property. For purposes of this section, "synthetic turf" means any materials or compositions that include crumb rubber used in the place of grass to surface parks, outdoor athletic playing fields, indoor athletic facilities, or other venues; and "crumb rubber" means ground rubber derived from waste tires, which contain one or more of the following: acetone, arsenic, cadmium, chromium, lead, vanadium, or zinc.

EFFECTIVE DATE. This section is effective the day following final enactment."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Brod and Moe moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 38, after line 32, insert:

"Sec. 27. Minnesota Statutes 2006, section 123B.36, subdivision 1, is amended to read:

Subdivision 1. **School boards may require fees.** (a) For purposes of this subdivision, "home school" means a home school as defined in sections 120A.22 and 120A.24 with five or fewer students receiving instruction.

(b) A school board is authorized to require payment of fees in the following areas:

(1) in any program where the resultant product, in excess of minimum requirements and at the pupil's option, becomes the personal property of the pupil;

(2) admission fees or charges for extracurricular activities, where attendance is optional and where the admission fees or charges a student must pay to attend or participate in an extracurricular activity is the same for all students, regardless of whether the student is enrolled in a public or a home school;

(3) a security deposit for the return of materials, supplies, or equipment;

(4) personal physical education and athletic equipment and apparel, although any pupil may personally provide it if it meets reasonable requirements and standards relating to health and safety established by the board;

(5) items of personal use or products that a student has an option to purchase such as student publications, class rings, annuals, and graduation announcements;

(6) fees specifically permitted by any other statute, including but not limited to section 171.05, subdivision 2; provided (i) driver education fees do not exceed the actual cost to the school and school district of providing driver education, and (ii) the driver education courses are open to enrollment to persons between the ages of 15 and 18 who reside or attend school in the school district;

(7) field trips considered supplementary to a district educational program;

(8) any authorized voluntary student health and accident benefit plan;

(9) for the use of musical instruments owned or rented by the district, a reasonable rental fee not to exceed either the rental cost to the district or the annual depreciation plus the actual annual maintenance cost for each instrument;

(10) transportation of pupils to and from extracurricular activities conducted at locations other than school, where attendance is optional, and transportation of charter school students participating in extracurricular activities in their resident district under section 123B.49, subdivision 4, paragraph (a), which must be charged to the charter school;

(11) transportation to and from school of pupils living within two miles from school and all other transportation services not required by law. If a district charges fees for transportation of pupils, it must establish guidelines for that transportation to ensure that no pupil is denied transportation solely because of inability to pay;

(12) motorcycle classroom education courses conducted outside of regular school hours; provided the charge must not exceed the actual cost of these courses to the school district;

(13) transportation to and from postsecondary institutions for pupils enrolled under the postsecondary enrollment options program under section 123B.88, subdivision 22. Fees collected for this service must be reasonable and must be used to reduce the cost of operating the route. Families who qualify for mileage reimbursement under section 124D.09, subdivision 22, may use their state mileage reimbursement to pay this fee. If no fee is charged, districts must allocate costs based on the number of pupils riding the route.

EFFECTIVE DATE. This section is effective for the 2008-2009 school year and later.

Sec. 28. Minnesota Statutes 2006, section 123B.49, subdivision 4, is amended to read:

Subd. 4. **Board control of extracurricular activities.** (a) The board may take charge of and control all extracurricular activities of the teachers and children of the public schools in the district. Extracurricular activities means all direct and personal services for pupils for their enjoyment that are managed and operated under the guidance of an adult or staff member. The board shall allow all resident pupils receiving instruction in a home school as defined in section 123B.36, subdivision 1, paragraph (a), and all resident pupils receiving instruction in a charter school as defined in section 124D.10 to be eligible to fully participate in extracurricular activities on the same basis as public school students- enrolled in the district's schools. A charter school student must give the enrolling charter school and the resident school district at least a 30-day notice of the student's intent to participate in an extracurricular activity in the resident district. Before a charter school student begins participating in an extracurricular activity in the resident district, the charter school must agree in writing to pay the amount attributable to that student that the district may charge to the charter school under paragraph (f). A charter school student is not eligible to participate in an extracurricular activity in the resident district if that extracurricular activity is offered by the enrolling charter school or the extracurricular activity is not controlled by the high school league under chapter 128C. Charter school students participating in extracurricular activities must meet the academic and student conduct requirements of the resident district. The charter school must:

(1) collect the same information that a district collects on a student's eligibility to participate in an extracurricular activity;

(2) transmit that information to the district at least ten days before a student begins to participate in the extracurricular activity; and

(3) immediately transmit to the district any additional information affecting the student's eligibility.

(b) Extracurricular activities have all of the following characteristics:

(1) they are not offered for school credit nor required for graduation;

(2) they are generally conducted outside school hours, or if partly during school hours, at times agreed by the participants, and approved by school authorities;

(3) the content of the activities is determined primarily by the pupil participants under the guidance of a staff member or other adult.

(c) If the board does not take charge of and control extracurricular activities, these activities shall be self-sustaining with all expenses, except direct salary costs and indirect costs of the use of school facilities, met by dues, admissions, or other student fund-raising events. The general fund must reflect only those salaries directly related to and readily identified with the activity and paid by public funds. Other revenues and expenditures for extra curricular activities must be recorded according to the Manual for Activity Fund Accounting. Extracurricular activities not under board control must have an annual financial audit and must also be audited annually for compliance with this section.

(d) If the board takes charge of and controls extracurricular activities, any or all costs of these activities may be provided from school revenues and all revenues and expenditures for these activities shall be recorded in the same manner as other revenues and expenditures of the district.

(e) If the board takes charge of and controls extracurricular activities, the teachers or pupils in the district must not participate in such activity, nor shall the school name or any allied name be used in connection therewith, except by consent and direction of the board.

(f) School districts may charge charter schools for each student for each activity the lesser of one-half of the statewide average per pupil expenditure on student activities and athletics as measured by the most recent edition of School District Profiles posted to the Department of Education's Web site, or their proportional share of the amount of the extracurricular activities that are not covered by student fees under section 123B.36, subdivision 1, ticket revenues, fund-raising efforts, sponsorships, or other income generated for those activities for which the charter school is charged. A district may charge charter school students the same fees it charges enrolled students to participate in an extracurricular activity. All charges to a charter school and charter school students must be paid when the charter school students are selected to participate in the activity. A district is not required to provide transportation from the charter school to the resident district for a charter school student who participates in an extracurricular activity in the resident district.

EFFECTIVE DATE. This section is effective for the 2008-2009 school year and later."

Page 46, after line 27, insert:

"Sec. 36. Minnesota Statutes 2006, section 124D.10, subdivision 8, is amended to read:

Subd. 8. **State and local requirements.** (a) A charter school shall meet all applicable state and local health and safety requirements.

(b) A school sponsored by a school board may be located in any district, unless the school board of the district of the proposed location disapproves by written resolution.

(c) A charter school must be nonsectarian in its programs, admission policies, employment practices, and all other operations. A sponsor may not authorize a charter school or program that is affiliated with a nonpublic sectarian school or a religious institution.

(d) Charter schools must not be used as a method of providing education or generating revenue for students who are being home-schooled.

(e) The primary focus of a charter school must be to provide a comprehensive program of instruction for at least one grade or age group from five through 18 years of age. Instruction may be provided to people younger than five years and older than 18 years of age.

(f) A charter school may not charge tuition.

(g) A charter school is subject to and must comply with chapter 363A and section 121A.04.

(h) A charter school is subject to and must comply with the Pupil Fair Dismissal Act, sections 121A.40 to 121A.56, and the Minnesota Public School Fee Law, sections 123B.34 to 123B.39.

(i) A charter school is subject to the same financial audits, audit procedures, and audit requirements as a district. Audits must be conducted in compliance with generally accepted governmental auditing standards, the Federal Single Audit Act, if applicable, and section 6.65. A charter school is subject to and must comply with sections

15.054; 118A.01; 118A.02; 118A.03; 118A.04; 118A.05; 118A.06; 123B.52, subdivision 5; 471.38; 471.391; 471.392; 471.425; 471.87; 471.88, subdivisions 1, 2, 3, 4, 5, 6, 12, 13, and 15; 471.881; and 471.89. The audit must comply with the requirements of sections 123B.75 to 123B.83, except to the extent deviations are necessary because of the program at the school. Deviations must be approved by the commissioner. The Department of Education, state auditor, or legislative auditor may conduct financial, program, or compliance audits. A charter school determined to be in statutory operating debt under sections 123B.81 to 123B.83 must submit a plan under section 123B.81, subdivision 4.

(j) A charter school is a district for the purposes of tort liability under chapter 466.

(k) A charter school must comply with sections 13.32; 120A.22, subdivision 7; 121A.75; and 260B.171, subdivisions 3 and 5.

(l) A charter school is subject to the Pledge of Allegiance requirement under section 121A.11, subdivision 3.

(m) A charter school is subject to sections 123B.36, subdivision 1, paragraph (b), clause (10), and 123B.49, subdivision 4, paragraphs (a) and (f), when its students participate in extracurricular activities in their resident district.

EFFECTIVE DATE. This section is effective for the 2008-2009 school year and later."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Brod and Moe amendment and the roll was called. There were 69 yeas and 62 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	DeLaForest	Gunther	Lesch	Ozment	Swails
Anderson, S.	Dettmer	Hackbarth	Lillie	Paulsen	Thissen
Atkins	Dill	Hamilton	Magnus	Peppin	Tillberry
Berns	Drazkowski	Hansen	Mahoney	Ruth	Urdahl
Bigham	Eastlund	Haws	Marquart	Seifert	Wagenius
Bly	Eken	Hilstrom	Masin	Severson	Ward
Brod	Emmer	Holberg	McNamara	Shimanski	Wardlow
Brown	Erickson	Hoppe	Moe	Simon	Winkler
Buesgens	Finstad	Hosch	Morgan	Simpson	Zellers
Bunn	Garofalo	Howes	Murphy, E.	Slawik	
Cornish	Gottwalt	Knuth	Olson	Slocum	
Dean	Greiling	Kohls	Otremba	Smith	

Those who voted in the negative were:

Abeler	Clark	Doty	Hausman	Jaros	Koenen
Anzelc	Davnie	Erhardt	Heidgerken	Johnson	Kranz
Benson	Demmer	Faust	Hilty	Juhnke	Laine
Brynaert	Dittrich	Fritz	Hortman	Kahn	Lanning
Carlson	Dominguez	Gardner	Huntley	Kalin	Lenczewski

Liebling	Morrow	Olin	Poppe	Thao	Wollschlager
Lieder	Mullery	Paymar	Rukavina	Tingelstad	Spk. Kelliher
Loeffler	Murphy, M.	Pelowski	Ruud	Tschumper	
Madore	Nelson	Peterson, A.	Sailer	Walker	
Mariani	Nornes	Peterson, N.	Sertich	Welti	
McFarlane	Norton	Peterson, S.	Solberg	Westrom	

The motion prevailed and the amendment was adopted.

Brod, Wardlow, Seifert, Severson, Emmer, Buesgens, Gottwalt and McNamara moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 1, after line 28, insert:

"Sec. 1. **[3.9855] EDUCATION FIRST.**

Notwithstanding any law to the contrary, during a regular legislative session, the legislature must pass and send to the governor, the state early education through grade 12 biennial finance legislation in the first year of the biennium and the early education through grade 12 supplemental finance legislation in the second year of the biennium before passing any other state budget finance legislation.

EFFECTIVE DATE. This section is effective the day following final enactment."

ReNUMBER the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Brod et al amendment and the roll was called. There were 66 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Abeler	DeLaForest	Gardner	Hoppe	Nornes	Severson
Anderson, B.	Demmer	Garofalo	Howes	Olson	Shimanski
Anderson, S.	Dettmer	Gottwalt	Kalin	Otremba	Simpson
Benson	Dittrich	Greiling	Kohls	Ozment	Slawik
Berns	Drazkowski	Gunther	Kranz	Paulsen	Smith
Brod	Eastlund	Hackbarth	Lanning	Peppin	Swails
Brown	Emmer	Hamilton	Lillie	Peterson, N.	Tingelstad
Buesgens	Erhardt	Haws	Magnus	Peterson, S.	Urdahl
Bunn	Erickson	Heidgerken	McFarlane	Ruth	Wardlow
Cornish	Finstad	Hilstrom	McNamara	Ruud	Westrom
Dean	Fritz	Holberg	Morgan	Seifert	Zellers

Those who voted in the negative were:

Anzelc	Brynaert	Dill	Faust	Hortman	Johnson
Atkins	Carlson	Dominguez	Hansen	Hosch	Juhnke
Bigham	Clark	Doty	Hausman	Huntley	Kahn
Bly	Davnie	Eken	Hilty	Jaros	Knuth

Koenen	Madore	Mullery	Pelowski	Slocum	Walker
Laine	Mahoney	Murphy, E.	Peterson, A.	Solberg	Ward
Lenczewski	Mariani	Murphy, M.	Poppe	Thao	Welti
Lesch	Marquart	Nelson	Rukavina	Thissen	Winkler
Liebling	Masin	Norton	Sailer	Tillberry	Wollschlager
Lieder	Moe	Olin	Sertich	Tschumper	Spk. Kelliher
Loeffler	Morrow	Paymar	Simon	Wagenius	

The motion prevailed and the amendment was adopted.

Garofalo moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 59, after line 5, insert:

"Sec. 51. **ENDING PARTICIPATION IN NO CHILD LEFT BEHIND.**

The commissioner of education must nullify and revoke by August 1, 2009, the consolidated state plan that the state of Minnesota submitted to the federal Department of Education on implementing the No Child Left Behind Act of 2001, and any other Minnesota state contract or agreement entered into under the provisions of the No Child Left Behind Act of 2001."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

Kalin moved to amend the Garofalo amendment to S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 1, line 8, delete the period, and insert "if (1) the commissioners of education and finance jointly certify that by not implementing the provisions of the No Child Left Behind Act, the state's schools will realize a net financial benefit; (2) state assessment and accountability reforms to include a growth-based assessment are enacted during the 2008 legislative session; and (3) the commissioner of education implements these reforms."

A roll call was requested and properly seconded.

The question was taken on the amendment to the amendment and the roll was called. There were 69 yeas and 62 nays as follows:

Those who voted in the affirmative were:

Bigham	Dittrich	Haws	Kahn	Lillie	Morrow
Bly	Dominguez	Hilstrom	Kalin	Loeffler	Mullery
Brynaert	Doty	Hilty	Knuth	Madore	Murphy, E.
Bunn	Eken	Hortman	Kranz	Mahoney	Murphy, M.
Carlson	Fritz	Hosch	Lenczewski	Mariani	Nelson
Clark	Gardner	Huntley	Lesch	Marquart	Norton
Davnie	Greiling	Jaros	Liebling	Masin	Olin
Dill	Hausman	Johnson	Lieder	Morgan	Otremba

Paymar	Sailer	Slocum	Thissen	Ward	Spk. Kelliher
Peterson, A.	Sertich	Solberg	Tillberry	Welti	
Peterson, S.	Simon	Swails	Wagenius	Winkler	
Ruud	Slawik	Thao	Walker	Wollschlager	

Those who voted in the negative were:

Abeler	Dean	Garofalo	Koenen	Paulsen	Smith
Anderson, B.	DeLaForest	Gottwalt	Kohls	Pelowski	Tingelstad
Anderson, S.	Demmer	Gunther	Laine	Peppin	Tschumper
Anzelc	Dettmer	Hackbarth	Lanning	Peterson, N.	Urdahl
Atkins	Drazkowski	Hamilton	Magnus	Poppe	Wardlow
Benson	Eastlund	Hansen	McFarlane	Rukavina	Westrom
Berns	Emmer	Heidgerken	McNamara	Ruth	Zellers
Brod	Erhardt	Holberg	Moe	Seifert	
Brown	Erickson	Hoppe	Nornes	Severson	
Buesgens	Faust	Howes	Olson	Shimanski	
Cornish	Finstad	Juhnke	Ozment	Simpson	

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Garofalo amendment, as amended, and the roll was called. There were 122 yeas and 9 nays as follows:

Those who voted in the affirmative were:

Abeler	Dittrich	Hilstrom	Lieder	Paulsen	Swails
Anderson, S.	Dominguez	Hilty	Lillie	Paymar	Thao
Anzelc	Doty	Holberg	Loeffler	Pelowski	Thissen
Atkins	Drazkowski	Hoppe	Madore	Peppin	Tillberry
Benson	Eastlund	Hortman	Magnus	Peterson, A.	Tingelstad
Berns	Eken	Hosch	Mahoney	Peterson, N.	Tschumper
Bigham	Erhardt	Howes	Mariani	Poppe	Urdahl
Bly	Erickson	Huntley	Marquart	Rukavina	Wagenius
Brod	Faust	Jaros	Masin	Ruth	Walker
Brown	Finstad	Johnson	McNamara	Ruud	Ward
Brynaert	Fritz	Juhnke	Moe	Sailer	Wardlow
Buesgens	Gardner	Kahn	Morgan	Seifert	Welti
Bunn	Garofalo	Kalin	Morrow	Sertich	Westrom
Carlson	Greiling	Knuth	Mullery	Severson	Winkler
Clark	Gunther	Koenen	Murphy, E.	Shimanski	Wollschlager
Cornish	Hackbarth	Kohls	Murphy, M.	Simon	Zellers
Davnie	Hamilton	Kranz	Nelson	Simpson	Spk. Kelliher
Dean	Hansen	Laine	Norton	Slawik	
DeLaForest	Hausman	Lenczewski	Olin	Slocum	
Dettmer	Haws	Lesch	Otremba	Smith	
Dill	Heidgerken	Liebling	Ozment	Solberg	

Those who voted in the negative were:

Anderson, B.	Emmer	Lanning	Nornes	Peterson, S.
Demmer	Gottwalt	McFarlane	Olson	

The motion prevailed and the amendment, as amended, was adopted.

Olson, Heidgerken, Erickson and Anderson, B., moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 13, after line 26, insert:

"Sec. 7. Minnesota Statutes 2006, section 120B.20, is amended to read:

120B.20 PARENTAL CURRICULUM REVIEW.

(a) Each school district shall have a procedure for a parent, guardian, or an adult student, 18 years of age or older, to review the content of the instructional materials to be provided to a minor child or to an adult student and, if the parent, guardian, or adult student objects to the content, to make reasonable arrangements with school personnel for alternative instruction. Alternative instruction may be provided by the parent, guardian, or adult student if the alternative instruction, if any, offered by the school board does not meet the concerns of the parent, guardian, or adult student. The school board is not required to pay for the costs of alternative instruction provided by a parent, guardian, or adult student. School personnel may not impose an academic or other penalty upon a student merely for arranging alternative instruction under this section. School personnel may evaluate and assess the quality of the student's work.

(b) Each school district must allow instruction in competing scientific theories as part of the school curriculum. A local school board must establish an equitable and thorough process to allow a parent of a student enrolled in a school in the district to petition the local school board to hold a hearing on the absence of instruction in competing scientific theories."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Olson et al amendment and the roll was called. There were 29 yeas and 102 nays as follows:

Those who voted in the affirmative were:

Abeler	Dettmer	Erickson	Heidgerken	Magnus	Simpson
Anderson, B.	Dittrich	Finstad	Holberg	Olson	Tingelstad
Buesgens	Drazkowski	Gunther	Hoppe	Seifert	Urdahl
Cornish	Eastlund	Hackbarth	Howes	Severson	Zellers
DeLaForest	Emmer	Hamilton	Kohls	Shimanski	

Those who voted in the negative were:

Anderson, S.	Brod	Dean	Faust	Hausman	Jaros
Anzelc	Brown	Demmer	Fritz	Haws	Johnson
Atkins	Brynaert	Dill	Gardner	Hilstrom	Juhnke
Benson	Bunn	Dominguez	Garofalo	Hilty	Kahn
Berns	Carlson	Doty	Gottwalt	Hortman	Kalin
Bigham	Clark	Eken	Greiling	Hosch	Knuth
Bly	Davnie	Erhardt	Hansen	Huntley	Koenen

Kranz	Mahoney	Murphy, E.	Pelowski	Sertich	Tschumper
Laine	Mariani	Murphy, M.	Peppin	Simon	Wagenius
Lanning	Marquart	Nelson	Peterson, A.	Slawik	Walker
Lenczewski	Masin	Nornes	Peterson, N.	Slocum	Ward
Lesch	McFarlane	Norton	Peterson, S.	Smith	Wardlow
Liebling	McNamara	Olin	Poppe	Solberg	Welti
Lieder	Moe	Otremba	Rukavina	Swails	Westrom
Lillie	Morgan	Ozment	Ruth	Thao	Winkler
Loeffler	Morrow	Paulsen	Ruud	Thissen	Wollschlager
Madore	Mullery	Paymar	Sailer	Tillberry	Spk. Kelliher

The motion did not prevail and the amendment was not adopted.

The Speaker resumed the Chair.

Walker moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 27, after line 5, insert:

"Sec. 13. **[121A.231] RESPONSIBLE FAMILY LIFE AND SEXUALITY EDUCATION PROGRAMS.**

Subdivision 1. **Definitions.** (a) "Responsible family life and sexuality education" means education in grades 7 through 12 that:

(1) respects community values and encourages family communication;

(2) develops skills in communication, decision making, and conflict resolution;

(3) contributes to healthy relationships;

(4) provides human development and sexuality education that is age-appropriate and medically accurate;

(5) includes an abstinence-first approach to delaying initiation of sexual activity that emphasizes abstinence while also including education about contraception and disease prevention; and

(6) promotes individual responsibility.

(b) "Age-appropriate" refers to topics, messages, and teaching methods suitable to particular ages or age groups of children and adolescents, based on developing cognitive, emotional, and behavioral capacity typical for the age or age group.

(c) "Medically accurate" means verified or supported by research conducted in compliance with scientific methods and published in peer-reviewed journals, where appropriate, and recognized as accurate and objective by professional organizations and agencies in the relevant field, such as the federal Centers for Disease Control and Prevention, the American Public Health Association, the American Academy of Pediatrics, or the American College of Obstetricians and Gynecologists.

Subd. 2. Curriculum requirements. (a) Consistent with its curriculum review cycle under section 120B.11, or no later than the start of the 2011-2012 school year, whichever comes first, a school district must offer and may independently establish policies, procedures, curriculum, and services for providing responsible family life and sexuality education that is age-appropriate and medically accurate for grades 7 through 12.

(b) A school district must consult with parents or guardians of enrolled students when establishing policies, procedures, curriculum, and services under this subdivision.

Subd. 3. Notice and parental options. (a) It is the legislature's intent to encourage pupils to communicate with their parents or guardians about human sexuality and to respect rights of parents or guardians to supervise their children's education on these subjects.

(b) Parents or guardians may excuse their children from all or part of a responsible family life and sexuality education program.

(c) A school district must establish policies and procedures consistent with paragraph (e) and this section for providing parents or guardians reasonable notice with the following information:

(1) if the district is offering a responsible family life and sexuality education program to the parents' or guardians' child during the course of the year;

(2) how the parents or guardians may inspect the written and audiovisual educational materials used in the program and the process for inspection;

(3) if the program is presented by school district personnel or outside consultants, and if outside consultants are used, who they may be; and

(4) parents' or guardians' right to choose not to have the child participate in the program and the procedure for exercising that right.

(d) A school district must establish policies and procedures for reasonably restricting the availability of written and audiovisual educational materials from public view of students who have been excused from all or part of a responsible family life and sexuality education program at the request of a parent or guardian, consistent with paragraph (e) and this section.

(e) A school district may develop a policy for a parent, guardian, or adult student age 18 or older to review the content of the instructional materials under this section. If a school district develops a policy, it must make reasonable arrangements with school personnel for alternative instruction for those pupils whose parents or guardians object to the content of the instruction, and must not impose an academic or other penalty upon a pupil for arranging the alternative instruction. School personnel may evaluate and assess the quality of the pupil's work completed as part of the alternative instruction.

Subd. 4. Assistance to school districts. (a) The Department of Education may offer services to school districts under paragraph (b), clauses (1) to (12), to the extent funds are available, to help them implement effective responsible family life and sexuality education programs. In making these services available, the department may provide:

(1) training for teachers, parents, and community members in the development of responsible family life and sexuality education curriculum or services and in planning for monitoring and evaluation activities;

(2) resource staff persons to provide expert training, curriculum development and implementation, and evaluation services;

(3) technical assistance to promote and coordinate community, parent, and youth forums in communities identified as having high needs for responsible family life and sexuality education; and

(4) technical assistance for issue management and policy development training for school boards, superintendents, principals, and administrators across the state.

(b) Technical assistance in accordance with National Health Education Standards provided by the department to school districts may:

(1) promote instruction and use of materials that are age-appropriate;

(2) provide information that is medically accurate and objective;

(3) provide instruction and promote use of materials that are respectful of marriage and commitments in relationships;

(4) provide instruction and promote use of materials that are appropriate for use with pupils and family experiences based on race, gender, sexual orientation, and ethnic and cultural background, and appropriately accommodate alternative learning based on language or disability;

(5) provide instruction and promote use of materials that encourage pupils to communicate with their parents or guardians about human sexuality;

(6) provide instruction and promote use of age-appropriate materials that teach abstinence from sexual intercourse as the only certain way to prevent unintended pregnancy or sexually transmitted infections, including HIV, chlamydia, and human papillomavirus (HPV), and provide information about the role and value of abstinence while also providing medically accurate information on other methods of preventing and reducing risk for unintended pregnancy and sexually transmitted infections;

(7) provide instruction and promote use of age-appropriate materials that are medically accurate in explaining transmission modes, risks, symptoms, and treatments for sexually transmitted infections, including HIV, chlamydia, and HPV;

(8) provide instruction and promote use of age-appropriate materials that address varied societal views on sexuality, sexual behaviors, pregnancy, and sexually transmitted infections, including HIV, chlamydia, and HPV, in an age-appropriate manner;

(9) provide instruction and promote use of age-appropriate materials that provide information about the effectiveness and safety of all FDA-approved methods for preventing and reducing risk for unintended pregnancy and sexually transmitted infections, including HIV, chlamydia, and HPV;

(10) provide instruction and promote use of age-appropriate materials that provide instruction in skills for making and implementing responsible decisions about sexuality;

(11) provide instruction and promote use of age-appropriate materials that provide instruction in skills for making and implementing responsible decisions about finding and using health services; and

(12) provide instruction and promote use of age-appropriate materials that do not teach or promote religious doctrine or bias against a religion or reflect or promote bias against any person on the basis of any category protected under the Minnesota Human Rights Act, chapter 363A."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

Demmer moved to amend the Walker amendment to S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 1, line 27, delete "must" and insert "may"

A roll call was requested and properly seconded.

The question was taken on the Demmer amendment to the Walker amendment and the roll was called. There were 53 yeas and 79 nays as follows:

Those who voted in the affirmative were:

Abeler	Demmer	Garofalo	Koenen	Olson	Shimanski
Anderson, B.	Dettmer	Gottwalt	Kohls	Otremba	Simpson
Anderson, S.	Doty	Gunther	Lanning	Ozment	Smith
Berns	Draskowski	Hackbarth	Lieder	Paulsen	Tingelstad
Brod	Eastlund	Hamilton	Magnus	Peppin	Urdahl
Buesgens	Eken	Heidgerken	McFarlane	Peterson, N.	Wardlow
Cornish	Emmer	Holberg	McNamara	Ruth	Westrom
Dean	Erickson	Hoppe	Nornes	Seifert	Zellers
DeLaForest	Finstad	Howes	Olin	Severson	

Those who voted in the negative were:

Anzelc	Erhardt	Jaros	Mahoney	Peterson, A.	Tillberry
Atkins	Faust	Johnson	Mariani	Peterson, S.	Tschumper
Benson	Fritz	Juhnke	Marquart	Poppe	Wagenius
Bigham	Gardner	Kahn	Masin	Rukavina	Walker
Bly	Greiling	Kalin	Moe	Ruud	Ward
Brown	Hansen	Knuth	Morgan	Sailer	Welti
Brynaert	Hausman	Kranz	Morrow	Sertich	Winkler
Bunn	Haws	Laine	Mullery	Simon	Wollschlager
Carlson	Hilstrom	Lenczewski	Murphy, E.	Slawik	Spk. Kelliher
Clark	Hilty	Lesch	Murphy, M.	Slocum	
Davnie	Hornstein	Liebling	Nelson	Solberg	
Dill	Hortman	Lillie	Norton	Swails	
Dittrich	Hosch	Loeffler	Paymar	Thao	
Dominguez	Huntley	Madore	Pelowski	Thissen	

The motion did not prevail and the amendment to the amendment was not adopted.

POINT OF ORDER

Kohls raised a point of order pursuant to rule 3.21 that the Walker amendment was not in order. The Speaker ruled the point of order not well taken and the Walker amendment in order.

Kohls appealed the decision of the Speaker.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of the Speaker stand as the judgment of the House?" and the roll was called. There were 79 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Anzelc	Faust	Johnson	Mariani	Peterson, A.	Tillberry
Atkins	Fritz	Juhnke	Marquart	Peterson, S.	Tschumper
Bigham	Gardner	Kahn	Masin	Poppe	Wagenius
Bly	Greiling	Kalin	Moe	Rukavina	Walker
Brown	Hansen	Knuth	Morgan	Ruud	Ward
Brynaert	Hausman	Laine	Morrow	Sailer	Welti
Bunn	Haws	Lenczewski	Mullery	Sertich	Winkler
Carlson	Hilstrom	Lesch	Murphy, E.	Simon	Wollschlager
Clark	Hilty	Liebling	Murphy, M.	Slawik	Spk. Kelliher
Davnie	Hornstein	Lieder	Nelson	Slocum	
Dominguez	Hortman	Lillie	Norton	Solberg	
Doty	Hosch	Loeffler	Olin	Swails	
Eken	Huntley	Madore	Paymar	Thao	
Erhardt	Jaros	Mahoney	Pelowski	Thissen	

Those who voted in the negative were:

Abeler	DeLaForest	Finstad	Howes	Olson	Shimanski
Anderson, B.	Demmer	Garofalo	Koenen	Otremba	Simpson
Anderson, S.	Dettmer	Gottwalt	Kohls	Ozment	Smith
Benson	Dill	Gunther	Kranz	Paulsen	Tingelstad
Berns	Dittrich	Hackbarth	Lanning	Peppin	Urdahl
Brod	Drazkowski	Hamilton	Magnus	Peterson, N.	Wardlow
Buesgens	Eastlund	Heidgerken	McFarlane	Ruth	Westrom
Cornish	Emmer	Holberg	McNamara	Seifert	Zellers
Dean	Erickson	Hoppe	Nornes	Severson	

So it was the judgment of the House that the decision of the Speaker should stand.

POINT OF ORDER

Seifert raised a point of order pursuant to rule 4.03 relating to Ways and Means Committee; Budget Resolution; Effect on Expenditure and Revenue Bills that the Walker amendment was not in order. The Speaker ruled the point of order not well taken and the Walker amendment in order.

Dettmer moved to amend the Walker amendment to S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 2, line 8, delete "may excuse" and insert "must elect to have" and delete "from" and insert "participate in"

A roll call was requested and properly seconded.

The question was taken on the Dettmer amendment to the Walker amendment and the roll was called. There were 53 yeas and 79 nays as follows:

Those who voted in the affirmative were:

Abeler	Demmer	Garofalo	Juhnke	Olson	Shimanski
Anderson, B.	Dettmer	Gottwalt	Koenen	Otremba	Simpson
Anderson, S.	Doty	Gunther	Kohls	Ozment	Smith
Berns	Drazkowski	Hackbarth	Lanning	Paulsen	Tingelstad
Brod	Eastlund	Hamilton	Lieder	Peppin	Urdahl
Buesgens	Eken	Heidgerken	Magnus	Peterson, N.	Wardlow
Cornish	Emmer	Holberg	McNamara	Ruth	Westrom
Dean	Erickson	Hoppe	Nornes	Seifert	Zellers
DeLaForest	Finstad	Howes	Olin	Severson	

Those who voted in the negative were:

Anzelc	Erhardt	Jaros	Mariani	Peterson, A.	Tillberry
Atkins	Faust	Johnson	Marquart	Peterson, S.	Tschumper
Benson	Fritz	Kahn	Masin	Poppe	Wagenius
Bigham	Gardner	Kalin	McFarlane	Rukavina	Walker
Bly	Greiling	Knuth	Moe	Ruud	Ward
Brown	Hansen	Kranz	Morgan	Sailer	Welti
Brynaert	Hausman	Laine	Morrow	Sertich	Winkler
Bunn	Haws	Lenczewski	Mullery	Simon	Wollschlager
Carlson	Hilstrom	Lesch	Murphy, E.	Slawik	Spk. Kelliher
Clark	Hilty	Liebling	Murphy, M.	Slocum	
Davnie	Hornstein	Lillie	Nelson	Solberg	
Dill	Hortman	Loeffler	Norton	Swails	
Dittrich	Hosch	Madore	Paymar	Thao	
Dominguez	Huntley	Mahoney	Pelowski	Thissen	

The motion did not prevail and the amendment to the amendment was not adopted.

Eastlund, Dettmer, Gottwalt, Severson and Anderson, B., moved to amend the Walker amendment to S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 4, after line 11, insert:

"Subd. 5. Opt out provision. Notwithstanding any other provision of this section, a district by board action may elect to opt out of the program."

A roll call was requested and properly seconded.

The question was taken on the Eastlund et al amendment to the Walker amendment and the roll was called. There were 53 yeas and 79 nays as follows:

Those who voted in the affirmative were:

Abeler	Demmer	Garofalo	Howes	Olson	Shimanski
Anderson, B.	Dettmer	Gottwalt	Koenen	Otremba	Simpson
Anderson, S.	Doty	Gunther	Kohls	Ozment	Smith
Berns	Drazkowski	Hackbarth	Lanning	Paulsen	Tingelstad
Brod	Eastlund	Hamilton	Magnus	Peppin	Urdahl
Buesgens	Eken	Haws	McFarlane	Peterson, N.	Wardlow
Cornish	Emmer	Heidgerken	McNamara	Ruth	Westrom
Dean	Erickson	Holberg	Nornes	Seifert	Zellers
DeLaForest	Finstad	Hoppe	Olin	Severson	

Those who voted in the negative were:

Anzelc	Erhardt	Johnson	Mahoney	Peterson, A.	Tillberry
Atkins	Faust	Juhnke	Mariani	Peterson, S.	Tschumper
Benson	Fritz	Kahn	Marquart	Poppe	Wagenius
Bigham	Gardner	Kalin	Masin	Rukavina	Walker
Bly	Greiling	Knuth	Moe	Ruud	Ward
Brown	Hansen	Kranz	Morgan	Sailer	Welti
Brynaert	Hausman	Laine	Morrow	Sertich	Winkler
Bunn	Hilstrom	Lenczewski	Mullery	Simon	Wollschlager
Carlson	Hilty	Lesch	Murphy, E.	Slawik	Spk. Kelliher
Clark	Hornstein	Liebling	Murphy, M.	Slocum	
Davnie	Hortman	Lieder	Nelson	Solberg	
Dill	Hosch	Lillie	Norton	Swails	
Dittrich	Huntley	Loeffler	Paymar	Thao	
Dominguez	Jaros	Madore	Pelowski	Thissen	

The motion did not prevail and the amendment to the amendment was not adopted.

Erickson moved to amend the Walker amendment to S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 1, line 7, after "values" insert ", marriage."

A roll call was requested and properly seconded.

The question was taken on the Erickson amendment to the Walker amendment and the roll was called. There were 109 yeas and 21 nays as follows:

Those who voted in the affirmative were:

Abeler	Benson	Brown	Clark	Demmer	Drazkowski
Anderson, B.	Berns	Brynaert	Cornish	Dettmer	Eastlund
Anderson, S.	Bigham	Buesgens	Davnie	Dill	Eken
Anzelc	Bly	Bunn	Dean	Dittrich	Emmer
Atkins	Brod	Carlson	DeLaForest	Doty	Erickson

Faust	Holberg	Lenczewski	Murphy, M.	Rukavina	Tingelstad
Finstad	Hoppe	Liebling	Nornes	Ruth	Urdahl
Fritz	Hortman	Lieder	Norton	Ruud	Ward
Gardner	Hosch	Lillie	Olin	Sailer	Wardlow
Garofalo	Howes	Loeffler	Olson	Seifert	Welti
Gottwalt	Johnson	Madore	Otremba	Severson	Westrom
Gunther	Juhnke	Magnus	Ozment	Shimanski	Winkler
Hackbarth	Kalin	Marquart	Paulsen	Simon	Wollschlager
Hamilton	Knuth	Masin	Pelowski	Simpson	Zellers
Hansen	Koenen	McFarlane	Peppin	Slawik	
Haws	Kohls	McNamara	Peterson, A.	Smith	
Heidgerken	Kranz	Moe	Peterson, N.	Solberg	
Hilstrom	Laine	Morgan	Peterson, S.	Swails	
Hilty	Lanning	Morrow	Poppe	Tillberry	

Those who voted in the negative were:

Dominguez	Hornstein	Lesch	Murphy, E.	Thao	Walker
Erhardt	Huntley	Mahoney	Nelson	Thissen	
Greiling	Jaros	Mariani	Paymar	Tschumper	
Hausman	Kahn	Mullery	Slocum	Wagenius	

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Walker amendment, as amended, and the roll was called. There were 79 yeas and 53 nays as follows:

Those who voted in the affirmative were:

Anzenc	Fritz	Juhnke	Mariani	Peterson, S.	Tingelstad
Atkins	Gardner	Kahn	Marquart	Poppe	Tschumper
Bigham	Greiling	Kalin	Masin	Rukavina	Wagenius
Bly	Hansen	Knuth	Moe	Ruud	Walker
Brown	Hausman	Kranz	Morgan	Sailer	Ward
Brynaert	Haws	Laine	Morrow	Sertich	Welti
Bunn	Hilstrom	Lenczewski	Mullery	Simon	Winkler
Carlson	Hilty	Lesch	Murphy, E.	Slawik	Wollschlager
Clark	Hornstein	Liebling	Murphy, M.	Slocum	Spk. Kelliher
Davnie	Hortman	Lieder	Nelson	Solberg	
Dittrich	Hosch	Lillie	Norton	Swails	
Dominguez	Huntley	Loeffler	Paymar	Thao	
Erhardt	Jaros	Madore	Pelowski	Thissen	
Faust	Johnson	Mahoney	Peterson, A.	Tillberry	

Those who voted in the negative were:

Abeler	Buesgens	Dill	Erickson	Hamilton	Kohls
Anderson, B.	Cornish	Doty	Finstad	Heidgerken	Lanning
Anderson, S.	Dean	Drazkowski	Garofalo	Holberg	Magnus
Benson	DeLaForest	Eastlund	Gottwalt	Hoppe	McFarlane
Berns	Demmer	Eken	Gunther	Howes	McNamara
Brod	Dettmer	Emmer	Hackbarth	Koenen	Nornes

Olin	Ozment	Peterson, N.	Severson	Smith	Westrom
Olson	Paulsen	Ruth	Shimanski	Urdahl	Zellers
Otremba	Peppin	Seifert	Simpson	Wardlow	

The motion prevailed and the amendment, as amended, was adopted.

The Speaker called Thissen to the Chair.

Kohls, Gottwalt, Eastlund, Smith and Brod moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 27, after line 5, insert:

"Sec. 13. Minnesota Statutes 2006, section 121A.11, subdivision 1, is amended to read:

Subdivision 1. **Displayed by schools.** Every public school and charter school in Minnesota must display an appropriate United States flag when in session. The flag shall be displayed upon the school grounds or outside the school building, on a proper staff, on every legal holiday occurring during the school term and at such other times as the board of the district may direct. The flag must be displayed within the principal rooms of the school building at all other times while school is in session.

EFFECTIVE DATE. This section is effective for the 2008-2009 school year and later.

Sec. 14. Minnesota Statutes 2006, section 121A.11, subdivision 2, is amended to read:

Subd. 2. **School boards to provide flags and staffs.** (a) The board must provide the flag for each of the school buildings in their districts, together with a suitable staff to display the flag outside of the school building and proper arrangement to display the flag in the building, and a suitable receptacle for the safekeeping of the flag when not in use.

(b) A charter school board of directors that leases space from a public entity also must provide the flag for its charter school, together with a suitable staff to display the flag outside of the charter school building and proper arrangement to display the flag in the building, and a suitable receptacle for the safekeeping of the flag when not in use. A charter school board of directors that leases space from a nonpublic entity must address the requirement under this subdivision to provide flags and staff in its lease.

EFFECTIVE DATE. This section is effective for the 2008-2009 school year and later."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Kohls et al amendment and the roll was called. There were 125 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dittrich	Haws	Lieder	Olson	Slawik
Anderson, S.	Dominguez	Heidgerken	Lillie	Otremba	Slocum
Anzels	Doty	Hilstrom	Loeffler	Ozment	Smith
Atkins	Drazkowski	Holberg	Madore	Paulsen	Solberg
Benson	Eastlund	Hoppe	Magnus	Paymar	Swails
Berns	Eken	Hornstein	Mahoney	Pelowski	Thissen
Bigham	Emmer	Hortman	Mariani	Peppin	Tillberry
Bly	Erhardt	Hosch	Marquart	Peterson, A.	Tingelstad
Brod	Erickson	Howes	Masin	Peterson, N.	Tschumper
Brown	Faust	Huntley	McFarlane	Peterson, S.	Urdahl
Brynaert	Finstad	Johnson	McNamara	Poppe	Wagenius
Bunn	Fritz	Juhnke	Moe	Rukavina	Walker
Carlson	Gardner	Kalin	Morgan	Ruth	Ward
Clark	Garofalo	Knuth	Morrow	Ruud	Wardlow
Cornish	Gottwalt	Koenen	Mullery	Sailer	Welti
Davnie	Greiling	Kohls	Murphy, E.	Seifert	Westrom
Dean	Gunther	Kranz	Murphy, M.	Sertich	Winkler
DeLaForest	Hackbarth	Laine	Nelson	Severson	Wollschlager
Demmer	Hamilton	Lanning	Nornes	Shimanski	Zellers
Dettmer	Hansen	Lenczewski	Norton	Simon	Spk. Kelliher
Dill	Hausman	Liebling	Olin	Simpson	

Those who voted in the negative were:

Abeler	Buesgens	Jaros	Kahn	Lesch	Thao
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The motion prevailed and the amendment was adopted.

Laine; Cornish; Pelowski; Heidgerken; Tillberry; Slocum; Drazkowski; Anderson, B.; Shimanski; Masin; Benson; Olson; Erickson; Bly, Kranz; Faust and Tschumper moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 58, after line 27, insert:

"Sec. 49. **NO CHILD LEFT BEHIND ACT; WAIVER FROM FINANCIAL CONSTRAINTS.**

(a) The commissioner of education must immediately petition the federal Department of Education to allow Minnesota schools to continue to receive federal funds under the No Child Left Behind Act of 2001 for state educational services without the restrictions in federal regulations. The commissioner must include in the petition information to demonstrate the long history of Minnesota's educational efficacy and how flexibility related to expending such federal funds will enhance the state education system.

(b) The commissioner must not enforce the educational assessment and accountability provisions in Minnesota Statutes, chapter 120B, related to implementing the No Child Left Behind Act of 2001 after the 2008-2009 school year. A school board may file a written resolution with the state auditor under Minnesota Statutes, section 6.79,

recommending how the legislature should reform the educational assessment and accountability provisions in Minnesota Statutes, chapter 120B, absent the federal mandates. The commissioner may report proposals and requests to the educational committees of the legislature by January 1, 2009."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Laine et al amendment and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dill	Heidgerken	Liebling	Otremba	Smith
Anderson, B.	Dittrich	Hilstrom	Lieder	Ozment	Solberg
Anderson, S.	Dominguez	Hilty	Lillie	Paulsen	Swails
Anzelc	Doty	Holberg	Loeffler	Paymar	Thao
Atkins	Drazkowski	Hoppe	Madore	Pelowski	Tillberry
Benson	Eastlund	Hornstein	Magnus	Peppin	Tingelstad
Berns	Eken	Hortman	Mahoney	Peterson, A.	Tschumper
Bigham	Emmer	Hosch	Marquart	Peterson, N.	Urdahl
Bly	Erhardt	Howes	Masin	Peterson, S.	Wagenius
Brod	Erickson	Jaros	McFarlane	Poppe	Walker
Brown	Faust	Johnson	McNamara	Rukavina	Ward
Brynaert	Finstad	Juhnke	Moe	Ruth	Wardlow
Buesgens	Fritz	Kahn	Morgan	Ruud	Welti
Bunn	Gardner	Kalin	Morrow	Sailer	Westrom
Carlson	Gottwalt	Knuth	Mullery	Seifert	Winkler
Clark	Greiling	Koenen	Murphy, E.	Sertich	Wollschlager
Cornish	Gunther	Kohls	Murphy, M.	Severson	Zellers
Davnie	Hackbarth	Kranz	Nelson	Shimanski	Spk. Kelliher
Dean	Hamilton	Laine	Nornes	Simon	
DeLaForest	Hansen	Lanning	Norton	Simpson	
Demmer	Hausman	Lenczewski	Olin	Slawik	
Dettmer	Haws	Lesch	Olson	Slocum	

The motion prevailed and the amendment was adopted.

Brod moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 1, after line 28, insert:

"Section 1. Minnesota Statutes 2006, section 122A.40, subdivision 5, is amended to read:

Subd. 5. **Probationary period.** (a) The first three consecutive years of a teacher's first teaching experience in Minnesota in a single district is deemed to be a probationary period of employment, and after completion thereof, the probationary period in each district in which the teacher is thereafter employed shall be one year. The school board must adopt a plan for written evaluation of teachers during the probationary period. Evaluation must occur at

least three times each year for a teacher performing services on 120 or more school days, at least two times each year for a teacher performing services on 60 to 119 school days, and at least one time each year for a teacher performing services on fewer than 60 school days. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school must not be included in determining the number of school days on which a teacher performs services. Except as otherwise provided in ~~paragraph~~ paragraphs (b) and (c), during the probationary period any annual contract with any teacher may or may not be renewed as the school board shall see fit. However, the board must give any such teacher whose contract it declines to renew for the following school year written notice to that effect before July 1. If the teacher requests reasons for any nonrenewal of a teaching contract, the board must give the teacher its reason in writing, including a statement that appropriate supervision was furnished describing the nature and the extent of such supervision furnished the teacher during the employment by the board, within ten days after receiving such request. The school board may, after a hearing held upon due notice, discharge a teacher during the probationary period for cause, effective immediately, under section 122A.44.

(b) A board must discharge a probationary teacher, effective immediately, upon receipt of notice under section 122A.20, subdivision 1, paragraph (b), that the teacher's license has been revoked due to a conviction for child abuse or sexual abuse.

(c) If a school district fails to perform the evaluations required by this section it may not nonrenew a teacher for reasons other than budgetary reasons except that the teacher may be nonrenewed once an evaluation is performed.

(d) A probationary teacher whose first three years of consecutive employment are interrupted for active military service and who promptly resumes teaching consistent with federal reemployment timelines for uniformed service personnel under United States Code, title 38, section 4312(e), is considered to have a consecutive teaching experience for purposes of paragraph (a).

~~(d)~~ (e) A probationary teacher must complete at least 60 days of teaching service each year during the probationary period. Days devoted to parent-teacher conferences, teachers' workshops, and other staff development opportunities and days on which a teacher is absent from school do not count as days of teaching service under this paragraph."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Brod moved to amend the Brod amendment to S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 2, lines 4 to 6, delete the new language and insert:

"A school district that fails to evaluate a probationary teacher under paragraph (a) must renew the teacher unless it completes the required evaluation or budget constraints require the board to not renew the probationary teacher."

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Brod amendment, as amended. The motion prevailed and the amendment, as amended, was adopted.

Cornish moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 13, after line 26, insert:

"Sec. 7. **[120B.194] FIREARMS SAFETY CURRICULUM.**

School districts must allow secondary students to receive firearms safety instruction and complete a firearms safety certification program. The curriculum, instruction, and program certification requirements must be consistent with the firearms safety program for youth developed by the Enforcement Division of the Department of Natural Resources.

EFFECTIVE DATE. This section is effective the day following final enactment."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

Hilstrom moved to amend the Cornish amendment to S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 1, line 5, delete "at school during the school day"

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Cornish amendment, as amended, and the roll was called. There were 106 yeas and 23 nays as follows:

Those who voted in the affirmative were:

Abeler	Demmer	Hackbarth	Laine	Olson	Simpson
Anderson, B.	Dettmer	Hamilton	Lenczewski	Otremba	Smith
Anderson, S.	Dill	Hansen	Lesch	Ozment	Solberg
Anzelc	Dittrich	Haws	Lieder	Pelowski	Swails
Atkins	Doty	Heidgerken	Lillie	Peppin	Thissen
Benson	Drazkowski	Hilstrom	Loeffler	Peterson, A.	Tingelstad
Berns	Eastlund	Hilty	Magnus	Peterson, N.	Tschumper
Bigham	Eken	Holberg	Mahoney	Peterson, S.	Urdahl
Bly	Emmer	Hoppe	Marquart	Poppe	Ward
Brod	Erhardt	Hortman	Masin	Rukavina	Wardlow
Brown	Erickson	Hosch	McNamara	Ruth	Walti
Brynaert	Faust	Howes	Moe	Ruud	Westrom
Buesgens	Finstad	Juhnke	Morgan	Sailer	Winkler
Bunn	Fritz	Kalin	Morrow	Seifert	Wollschlager
Carlson	Gardner	Knuth	Murphy, M.	Sertich	Zellers
Cornish	Garofalo	Koenen	Nelson	Severson	Spk. Kelliher
Dean	Gottwalt	Kohls	Nornes	Shimanski	
DeLaForest	Gunther	Kranz	Olin	Simon	

Those who voted in the negative were:

Davnie	Hornstein	Kahn	McFarlane	Paymar	Tillberry
Dominguez	Huntley	Lanning	Mullery	Slawik	Wagenius
Greiling	Jaros	Madore	Murphy, E.	Slocum	Walker
Hausman	Johnson	Mariani	Paulsen	Thao	

The motion prevailed and the amendment, as amended, was adopted.

The Speaker resumed the Chair.

Demmer moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 39, after line 5, insert:

"Sec. 28. **[123B.7495] STRUCTURALLY BALANCED SCHOOL DISTRICT BUDGETS.**

Subdivision 1. **Board resolution.** (a) Before approving a collective bargaining agreement that does not result from an interest arbitration decision, a school board must determine by board resolution that the proposed agreement will not cause structural imbalance in the district's budget during the agreement period.

(b) A school board may determine that an agreement will not cause structural imbalance only if expenditures will not exceed available funds, taking into account:

(1) current state aid formulas; and

(2) reasonable and comprehensive projections of ongoing revenues and expenditures for the period of the agreement. The board must not use onetime revenue for ongoing expenditures. Any amount in excess of the board's resolution for the district's general fund balance is not onetime revenue under this section. The school board must make available with the resolution a summary of the projections and calculations supporting the determination. The projections and calculations must include state aid formulas, pupil units, and employee costs that reflect the terms of all applicable labor agreements, including the agreement under consideration, its fringe benefits, severance pay, and staff changes.

(c) In addition to the determination under paragraph (a), the school board must project revenues, expenditures, and fund balances for two years following the period of the agreement. The projections must include the information categories under paragraph (b), be reasonable and comprehensive, and reference current state aid formulas.

(d) The board must make available all projections and calculations required by this section and estimated district employee terminations to the public before, at, and after the meeting where the board adopts the resolution, consistent with state law on public notice and access to public data.

(e) In an interest arbitration, the district must submit, and the exclusive bargaining representative may submit, proposed determinations with supporting projections and calculations consistent with paragraph (b) of the effect of the potential decision on the structural balance of the district's budget. The arbitrator must consider the potential effect of a decision on the structural balance of the district's budget for the term of the agreement. The arbitrator's decision must describe the effect of the decision on the structural balance of the district's budget in a manner consistent with paragraph (b). The arbitrator's decision also must show the effect of the decision on the school

budget for one year following the term of the contract at issue. Within 30 days of when the board receives or acts on the decision, whichever is earlier, the board must by resolution determine the effect of the decision on the structural balance of its budget for the term of the agreement consistent with paragraph (b).

(f) The board must submit a copy of the resolution with the supporting projections and calculations to the commissioner with the uniform collective bargaining agreement settlement document within 30 days of adopting the resolution. The commissioner must develop a model form for districts to use in reporting projections and calculations. The commissioner must not accept any reports that do not comply with this section. The commissioner must make all resolutions, projections, and calculations available to the public.

(g) Compliance with this section by itself is not an unfair labor practice under section 179A.13, subdivision 2.

Subd. 2. **State aid penalty.** (a) If a board does not submit a report to the commissioner under subdivision 1, paragraph (f), the department must reduce the state aid paid to the public employer for that fiscal year.

(b) The aid reduction must equal \$25 times the number of adjusted pupil units for the district during that fiscal year.

(c) The department must reduce general education aid; if general education aid is insufficient or not paid, the department must reduce other state aids.

EFFECTIVE DATE. This section is effective for the 2008-2009 school year and later."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the Demmer amendment and the roll was called. There were 39 yeas and 92 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	DeLaForest	Finstad	Hoppe	Olson	Simpson
Anderson, S.	Demmer	Fritz	Kohls	Paulsen	Smith
Berns	Dettmer	Garofalo	Lanning	Peppin	Westrom
Brod	Drazkowski	Gottwalt	Magnus	Ruth	Zellers
Buesgens	Eastlund	Gunther	McFarlane	Seifert	
Cornish	Emmer	Hackbarth	McNamara	Severson	
Dean	Erickson	Holberg	Nornes	Shimanski	

Those who voted in the negative were:

Abeler	Brown	Dill	Faust	Haws	Hosch
Anzelc	Brynaert	Dittrich	Gardner	Heidgerken	Howes
Atkins	Bunn	Dominguez	Greiling	Hilstrom	Huntley
Benson	Carlson	Doty	Hamilton	Hilty	Jaros
Bigham	Clark	Eken	Hansen	Hornstein	Johnson
Bly	Davnie	Erhardt	Hausman	Hortman	Juhnke

Kahn	Lillie	Mullery	Peterson, N.	Solberg	Ward
Kalin	Loeffler	Murphy, E.	Peterson, S.	Swails	Wardlow
Knuth	Madore	Murphy, M.	Poppe	Thao	Welti
Koenen	Mahoney	Nelson	Rukavina	Thissen	Winkler
Kranz	Mariani	Norton	Ruud	Tillberry	Wollschlager
Laine	Marquart	Olin	Sailer	Tingelstad	Spk. Kelliher
Lenczewski	Masin	Otremba	Sertich	Tschumper	
Lesch	Moe	Paymar	Simon	Urdahl	
Liebling	Morgan	Pelowski	Slawik	Wagenius	
Lieder	Morrow	Peterson, A.	Slocum	Walker	

The motion did not prevail and the amendment was not adopted.

Slawik was excused for the remainder of today's session.

Westrom offered an amendment to S. F. No. 3001, the fourth engrossment, as amended.

Westrom requested a division of the Westrom amendment to S. F. No. 3001, the fourth engrossment, as amended.

Westrom further requested that the second portion of the divided Westrom amendment be voted on first.

The second portion of the Westrom amendment to S. F. No. 3001, the fourth engrossment, as amended, reads as follows:

Page 39, after line 5, insert:

"Sec. 28. Minnesota Statutes 2006, section 124D.09, subdivision 20, is amended to read:

Subd. 20. **Textbooks; materials.** All textbooks and equipment provided to a pupil, and paid for under subdivision 13, are the property of the pupil's postsecondary institution. Each pupil is required to return all textbooks and equipment to the postsecondary institution after the course has ended. The postsecondary institution may bill the pupil for any textbooks and equipment that are not promptly returned by the student.

EFFECTIVE DATE. This section is effective July 1, 2008."

ReNUMBER the sections in sequence and correct the internal references

Amend the title accordingly

A roll call was requested and properly seconded.

The question was taken on the second portion of the Westrom amendment and the roll was called. There were 41 yeas and 89 nays as follows:

Those who voted in the affirmative were:

Abeler	Berns	Bunn	Dettmer	Emmer	Finstad
Anderson, B.	Brod	Cornish	Drazkowski	Erickson	Garofalo
Anderson, S.	Buesgens	Dean	Eastlund	Faust	Gunther

Hackbarth	Magnus	Olson	Peterson, N.	Smith	Welti
Heidgerken	McNamara	Ozment	Seifert	Tingelstad	Westrom
Holberg	Nornes	Paulsen	Shimanski	Urdahl	Zellers
Kohls	Norton	Peppin	Simpson	Wardlow	

Those who voted in the negative were:

Anzelc	Doty	Hortman	Lesch	Murphy, M.	Simon
Atkins	Eken	Hosch	Liebling	Nelson	Slocum
Benson	Erhardt	Howes	Lieder	Olin	Solberg
Bigham	Fritz	Huntley	Lillie	Otremba	Swails
Bly	Gardner	Jaros	Loeffler	Paymar	Thao
Brown	Gottwalt	Johnson	Madore	Pelowski	Thissen
Brynaert	Greiling	Juhnke	Mahoney	Peterson, A.	Tillberry
Carlson	Hamilton	Kahn	Marquart	Peterson, S.	Tschumper
Clark	Hansen	Kalin	Masin	Poppe	Wagenius
Davnie	Hausman	Knuth	McFarlane	Rukavina	Walker
DeLaForest	Haws	Koenen	Moe	Ruth	Ward
Demmer	Hilstrom	Kranz	Morgan	Ruud	Winkler
Dill	Hilty	Laine	Morrow	Sailer	Wollschlager
Dittrich	Hoppe	Lanning	Mullery	Sertich	Spk. Kelliher
Dominguez	Hornstein	Lenczewski	Murphy, E.	Severson	

The motion did not prevail and the second portion of the Westrom amendment was not adopted.

Westrom withdrew the first portion of the Westrom amendment to S. F. No. 3001, the fourth engrossment, as amended.

Erickson moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 50, delete section 40 and insert:

"Sec. 40. Minnesota Statutes 2006, section 125B.07, is amended by adding a subdivision to read:

Subd. 8. **Technology data and guidelines.** (a) The department shall maintain a list of technology infrastructure data including, but not limited to, the following data:

(1) instructional technology;

(2) technology tools;

(3) network and data systems administration;

(4) data practices;

(5) data management; and

(6) facilities infrastructure.

Each school must provide the technology data to the department in the form and manner prescribed by the commissioner. The data must include the impact of each indicator on student achievement.

(b) The commissioner shall maintain technology guidelines for uniform data collections including common data definitions for required elements, a common course catalogue, common transcript definitions, and district technology infrastructure standards."

Page 58, delete section 49

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion did not prevail and the amendment was not adopted.

Emmer moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 39, after line 5, insert:

"Sec. 28. Minnesota Statutes 2006, section 123B.57, subdivision 6, is amended to read:

Subd. 6. **Uses of health and safety revenue.** (a) Health and safety revenue may be used only for approved expenditures necessary to correct fire and life safety hazards, or for the removal or encapsulation of asbestos from school buildings or property owned or being acquired by the district, asbestos-related repairs, cleanup and disposal of polychlorinated biphenyls found in school buildings or property owned or being acquired by the district, or the cleanup, removal, disposal, and repairs related to storing heating fuel or transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section 296A.01, Minnesota occupational safety and health administration regulated facility and equipment hazards, indoor air quality mold abatement, upgrades or replacement of mechanical ventilation systems to meet American Society of Heating, Refrigerating and Air Conditioning Engineers standards and State Mechanical Code, Department of Health Food Code and swimming pool hazards excluding depth correction, and health, safety, and environmental management. Testing and calibration activities are permitted for existing mechanical ventilation systems at intervals no less than every five years. Health and safety revenue must not be used to finance a lease purchase agreement, installment purchase agreement, or other deferred payments agreement. Health and safety revenue must not be used for the construction of new facilities or the purchase of portable classrooms, for interest or other financing expenses, or for energy efficiency projects under section 123B.65. The revenue may not be used for a building or property or part of a building or property used for postsecondary instruction or administration or for a purpose unrelated to elementary and secondary education.

(b) Notwithstanding paragraph (a), health and safety revenue must not be used for replacement of building materials or facilities including roof, walls, windows, internal fixtures and flooring, nonhealth and safety costs associated with demolition of facilities, structural repair or replacement of facilities due to unsafe conditions, violence prevention and facility security, ergonomics, building and heating, ventilating and air conditioning supplies, maintenance, and cleaning activities. All assessments, investigations, inventories, and support equipment not leading to the engineering or construction of a project shall be included in the health, safety, and environmental management costs in subdivision 8, paragraph (a).

(c) Health and safety revenue may be used for basic first aid training, focusing on CPR and the use of automatic external defibrillators."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

The Speaker called Thissen to the Chair.

Kohls, Smith, Gottwalt, Eastlund and Brod moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 45, line 32, after the period, insert "A charter school must not use state funding to modify any charter school space or otherwise accommodate the practices of any one religious group unless the charter school also uses an equal amount of state funding for any other religious group that requests a modification of the charter school space or other accommodation of its religious practices."

A roll call was requested and properly seconded.

Mariani moved to amend the Kohls et al amendment to S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 1, line 2, delete "use state funding"

Page 1, line 3, delete "to"

Page 1, line 4, delete "uses an equal amount of state funding for" and insert "accommodates"

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the Kohls et al amendment, as amended, and the roll was called. There were 109 yeas and 21 nays as follows:

Those who voted in the affirmative were:

Abeler	Carlson	Eastlund	Hackbarth	Juhnke	Lillie
Anderson, B.	Cornish	Eken	Hamilton	Kalin	Madore
Anderson, S.	Davnie	Emmer	Hansen	Knuth	Magnus
Atkins	Dean	Erhardt	Haws	Koenen	Mahoney
Benson	DeLaForest	Erickson	Heidgerken	Kohls	Mariani
Berns	Demmer	Faust	Hilstrom	Kranz	Marquart
Bigham	Dettmer	Finstad	Holberg	Laine	McFarlane
Brod	Dill	Fritz	Hoppe	Lanning	McNamara
Brown	Dittrich	Gardner	Hortman	Lenczewski	Moe
Brynaert	Dominguez	Garofalo	Hosch	Lesch	Morgan
Buesgens	Doty	Gottwalt	Howes	Liebling	Morrow
Bunn	Drzkowski	Gunther	Huntley	Lieder	Mullery

Nelson	Paulsen	Ruth	Simpson	Wagenius	Zellers
Nornes	Pelowski	Ruud	Smith	Ward	Spk. Kelliher
Norton	Peppin	Sailer	Solberg	Wardlow	
Olin	Peterson, A.	Seifert	Swails	Welti	
Olson	Peterson, N.	Severson	Thissen	Westrom	
Otremba	Peterson, S.	Shimanski	Tingelstad	Winkler	
Ozment	Poppe	Simon	Urdahl	Wollschlager	

Those who voted in the negative were:

Anzelc	Hausman	Kahn	Murphy, M.	Slocum	Walker
Bly	Hilty	Loeffler	Paymar	Thao	
Clark	Jaros	Masin	Rukavina	Tillberry	
Greiling	Johnson	Murphy, E.	Sertich	Tschumper	

The motion prevailed and the amendment, as amended, was adopted.

Hornstein was excused for the remainder of today's session.

Eastlund moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 39, after line 5, insert:

"Sec. 28. Minnesota Statutes 2006, section 123B.77, is amended by adding a subdivision to read:

Subd. 1b. Uniform licensed employee salary settlement data. (a) The commissioner must develop and maintain a Web-based uniform licensed employee salary settlement database that is accessible to the public. The database, which must allow for separate entry of data for teachers, superintendents, and other administrators, may be modeled after the teacher salary settlement forms employed by the Minnesota School Boards Association.

(b) A school district must complete the uniform teacher salary settlement form within 60 days of the date of the ratification of the teacher salary contract. The uniform teacher salary settlement form must include at least the following biennial information:

(1) the school district's name and number;

(2) the settlement date;

(3) the full-time equivalent number of teachers covered by the contract;

(4) teacher duty time in days and minutes;

(5) the salary schedule cost, separately listing cost-of-living adjustments, step and lane adjustments, and alternative teacher compensation adjustments;

(6) health insurance costs displayed separately for active and retired teachers;

(7) life insurance costs;

(8) dental insurance costs;

(9) extracurricular service costs;

(10) district Teacher's Retirement Association (TRA) costs;

(11) district Federal Insurance Contributions Act (FICA) costs;

(12) district contributions to early retirement plans, severance pay, and employer 403(b) matches;

(13) other compensation not listed in clauses (1) to (12); and

(14) average step and lane placement of current teaching staff.

(c) A school district must submit salary settlement data on school principals and assistant principals to the department through the uniform licensed employee salary settlement database in the same manner and form as required in paragraph (b).

(d) A school district must submit its superintendent contract data to the department through the uniform licensed employee salary settlement database. The superintendent's form must include the following:

(1) school district name and number;

(2) length of the superintendent contract and renewal clause timelines;

(3) salary cost;

(4) health insurance costs;

(5) life insurance costs;

(6) dental insurance costs;

(7) district Teacher's Retirement Association (TRA) costs;

(8) district Federal Insurance Contributions Act (FICA) costs;

(9) district contribution to early retirement plans, employer 403(b) matches, severance pay, and limits on total severance, if any;

(10) car allowance;

(11) housing allowance; and

(12) any other compensation not listed in clauses (1) to (11).

EFFECTIVE DATE. This section is effective for settlements entered into on or after July 1, 2009.

Sec. 29. Minnesota Statutes 2006, section 123B.77, is amended by adding a subdivision to read:

Subd. 1c. **Collective bargaining agreements; superintendent contracts.** A school district must post its teacher collective bargaining agreement, principal collective bargaining agreement, if any, and superintendent contract to the district's Web site within ten days of the date the contract is ratified. The district must also provide an electronic copy of each of these agreements to the Department of Education within 15 days of the date the contract is ratified.

EFFECTIVE DATE. This section is effective for contracts and settlements entered into on or after July 1, 2009."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion did not prevail and the amendment was not adopted.

Brod moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 46, after line 27, insert:

"Sec. 36. Minnesota Statutes 2006, section 124D.10, subdivision 9, is amended to read:

Subd. 9. **Admission requirements.** A charter school may limit admission to:

- (1) pupils within an age group or grade level;
- (2) people who are eligible to participate in the graduation incentives program under section 124D.68; or

(3) residents of a specific geographic area where the percentage of the population of non-Caucasian people of that area is greater than the percentage of the non-Caucasian population in the congressional district in which the geographic area is located, and as long as the school reflects the racial and ethnic diversity of the specific area.

A charter school shall enroll an eligible pupil who submits a timely application, unless the number of applications exceeds the capacity of a program, class, grade level, or building. In this case, pupils must be accepted by lot. If a charter school is the only school located in a ~~town~~ municipality serving pupils within a particular grade level, then pupils that are residents of the town must be given preference for enrollment before accepting pupils by lot. If a pupil lives within two miles of a charter school and the next closest public school is more than five miles away, the charter school must give those pupils preference for enrollment before accepting other pupils by lot.

A charter school shall give preference for enrollment to a sibling of an enrolled pupil and to a foster child of that pupil's parents before accepting other pupils by lot.

A charter school may not limit admission to pupils on the basis of intellectual ability, measures of achievement or aptitude, or athletic ability.

EFFECTIVE DATE. This section is effective the day following final enactment and applies to all applications for enrollment in the 2008-2009 school year and later."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Speaker pro tempore Thissen called Juhnke to the Chair.

Drazkowski offered an amendment to S. F. No. 3001, the fourth engrossment, as amended.

POINT OF ORDER

Greiling raised a point of order pursuant to rule 4.03 relating to Ways and Means Committee; Budget Resolution; Effect on Expenditure and Revenue Bills that the Drazkowski amendment was not in order. Speaker pro tempore Juhnke ruled the point of order well taken and the Drazkowski amendment out of order.

Abeler, Atkins, Davnie, Holberg, Brod, Rukavina and Otremba moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 67, after line 18, insert:

"Sec. 3. Minnesota Statutes 2006, section 135A.14, subdivision 2, is amended to read:

Subd. 2. **Statement of immunization required; disclosure.** (a) Except as provided in subdivision 3, no student may remain enrolled in a public or private postsecondary educational institution unless the student has submitted to the administrator a statement that the student has received appropriate immunization against measles, rubella, and mumps after having attained the age of 12 months, and against diphtheria and tetanus within ten years of first registration at the institution. This statement must indicate the month and year of each immunization given. Instead of submitting a statement, a student may provide an immunization record maintained by a school according to section 121A.15, subdivision 7, or a school in another state if the required information is contained in the record. A student who has submitted a statement as provided in this subdivision may transfer to a different Minnesota institution without submitting another statement if the student's transcript or other official documentation indicates that the statement was submitted.

(b) Any written information provided to a student about immunization requirements under this subdivision must describe the exemptions from immunizations under subdivision 3 on the same page and in the same format and style as the written communication for the immunization requirements."

Amend the title accordingly

The motion prevailed and the amendment was adopted.

Thissen moved to amend S. F. No. 3001, the fourth engrossment, as amended, as follows:

Page 2, after line 25, insert:

"Section 2. Minnesota Statutes 2006, section 123B.57, subdivision 2, is amended to read:

Subd. 2. **Contents of program.** ~~(a) To qualify for health and safety revenue,~~ a district must adopt a health and safety program. The program must include plans, where applicable, for hazardous substance removal, fire and life safety code repairs, regulated facility and equipment violations, and health, safety, and environmental management, including indoor air quality management.

~~(a)~~ (b) A hazardous substance plan must contain provisions for the removal or encapsulation of asbestos from school buildings or property, asbestos-related repairs, cleanup and disposal of polychlorinated biphenyls found in school buildings or property, and cleanup, removal, disposal, and repairs related to storing heating fuel or transportation fuels such as alcohol, gasoline, fuel, oil, and special fuel, as defined in section 296A.01. If a district has already developed a plan for the removal or encapsulation of asbestos as required by the federal Asbestos Hazard Emergency Response Act of 1986, the district may use a summary of that plan, which includes a description and schedule of response actions, for purposes of this section. The plan must also contain provisions to make modifications to existing facilities and equipment necessary to limit personal exposure to hazardous substances, as regulated by the federal Occupational Safety and Health Administration under Code of Federal Regulations, title 29, part 1910, subpart Z; or is determined by the commissioner to present a significant risk to district staff or student health and safety as a result of foreseeable use, handling, accidental spill, exposure, or contamination.

~~(b)~~ (c) A fire and life safety plan must contain a description of the current fire ~~and~~, life safety, or elevator code violations, a plan for the removal or repair of the fire ~~and~~, life safety, or elevator safety hazard, and a description of safety preparation and awareness procedures to be followed until the hazard is fully corrected.

~~(c)~~ (d) A facilities and equipment violation plan must contain provisions to correct health and safety hazards as provided in Department of Labor and Industry standards pursuant to section 182.655.

~~(d)~~ (e) A health, safety, and environmental management plan must contain a description of training, record keeping, hazard assessment, and program management as defined in section 123B.56.

~~(e)~~ (f) A plan to test for and mitigate radon produced hazards.

~~(f)~~ (g) A plan to monitor and improve indoor air quality.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 3. Minnesota Statutes 2006, section 123B.57, subdivision 6, is amended to read:

Subd. 6. **Uses of health and safety revenue.** (a) Health and safety revenue may be used only for approved expenditures necessary to correct fire and life safety hazards, or for the removal or encapsulation of asbestos from school buildings or property owned or being acquired by the district, asbestos-related repairs, cleanup and disposal of polychlorinated biphenyls found in school buildings or property owned or being acquired by the district, or the cleanup, removal, disposal, and repairs related to storing heating fuel or transportation fuels such as alcohol, gasoline, fuel oil, and special fuel, as defined in section 296A.01, Minnesota occupational safety and health administration regulated facility and equipment hazards, indoor air quality mold abatement, upgrades or replacement of mechanical ventilation systems to meet American Society of Heating, Refrigerating and Air Conditioning Engineers standards and State Mechanical Code, Department of Health Food Code and swimming pool hazards excluding depth correction, and health, safety, and environmental management. Testing and calibration activities

are permitted for existing mechanical ventilation systems at intervals no less than every five years. Health and safety revenue may be used to replace or repair elevators, according to a plan adopted under subdivision 2. Health and safety revenue must not be used to finance a lease purchase agreement, installment purchase agreement, or other deferred payments agreement. Health and safety revenue must not be used for the construction of new facilities or the purchase of portable classrooms, for interest or other financing expenses, or for energy efficiency projects under section 123B.65. The revenue may not be used for a building or property or part of a building or property used for postsecondary instruction or administration or for a purpose unrelated to elementary and secondary education.

(b) Notwithstanding paragraph (a), health and safety revenue must not be used for replacement of building materials or facilities including roof, walls, windows, internal fixtures and flooring, nonhealth and safety costs associated with demolition of facilities, structural repair or replacement of facilities due to unsafe conditions, violence prevention and facility security, ergonomics, building and heating, ventilating and air conditioning supplies, maintenance, and cleaning activities. All assessments, investigations, inventories, and support equipment not leading to the engineering or construction of a project shall be included in the health, safety, and environmental management costs in subdivision 8, paragraph (a)."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion prevailed and the amendment was adopted.

S. F. No. 3001, A bill for an act relating to education; providing for prekindergarten through grade 12 education; including general education, education excellence, special programs, libraries, state agencies, and self-sufficiency and lifelong learning; amending Minnesota Statutes 2006, sections 13.32, by adding a subdivision; 120A.05, subdivision 10a; 120A.22, subdivision 5; 120A.24, subdivisions 1, 2; 120B.02; 120B.021, subdivision 1a; 120B.023, subdivision 2; 121A.035, subdivision 2; 121A.037; 122A.06, subdivision 4; 122A.07, subdivisions 2, 3; 122A.09, subdivision 4; 122A.18, subdivisions 2, 2a, by adding a subdivision; 123B.14, subdivision 7; 123B.36, subdivision 1; 123B.37, subdivision 1; 123B.77, subdivision 3; 123B.81, subdivisions 3, 5; 123B.83, subdivision 3; 123B.88, subdivision 3; 124D.10, subdivisions 2a, 4a, 6, 6a, 7, 8, 20, 23; 124D.19, subdivision 14; 124D.522; 124D.55; 124D.60, subdivision 1; 124D.68, subdivision 2; 124D.86, by adding a subdivision; 125A.02, subdivision 1; 125A.15; 125A.51; 125A.65, subdivision 4, by adding a subdivision; 125A.744, subdivision 3; 125B.07, by adding a subdivision; 126C.40, subdivision 6; 134.31, subdivision 6, by adding a subdivision; 260C.007, subdivision 19; 299F.30, subdivision 1; Minnesota Statutes 2007 Supplement, sections 120B.021, subdivision 1; 120B.024; 120B.30; 123B.81, subdivision 4; 124D.10, subdivisions 4, 23a; 134.31, subdivision 4a; proposing coding for new law in Minnesota Statutes, chapters 1; 121A; 125B; 127A; 134; repealing Minnesota Statutes 2006, sections 120A.22, subdivision 8; 121A.23; 121A.67; Laws 2006, chapter 263, article 3, section 16.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 85 yeas and 45 nays as follows:

Those who voted in the affirmative were:

Anzelc	Bly	Carlson	Dill	Eken	Garofalo
Atkins	Brown	Clark	Dittrich	Faust	Greiling
Benson	Brynaert	Cornish	Dominguez	Fritz	Hansen
Bigham	Bunn	Davnie	Doty	Gardner	Hausman

Haws	Knuth	Mahoney	Nelson	Sailer	Walker
Hilstrom	Koenen	Mariani	Norton	Sertich	Ward
Hilty	Kranz	Marquart	Olin	Simon	Welti
Hortman	Laine	Masin	Otremba	Slocum	Winkler
Hosch	Lenczewski	McFarlane	Paymar	Solberg	Wollschlager
Huntley	Lesch	Moe	Pelowski	Swails	Spk. Kelliher
Jaros	Liebling	Morgan	Peterson, A.	Thao	
Johnson	Lieder	Morrow	Peterson, S.	Thissen	
Juhnke	Lillie	Mullery	Poppe	Tillberry	
Kahn	Loeffler	Murphy, E.	Rukavina	Tschumper	
Kalin	Madore	Murphy, M.	Ruud	Wagenius	

Those who voted in the negative were:

Abeler	Demmer	Gottwalt	Kohls	Peppin	Tingelstad
Anderson, B.	Dettmer	Gunther	Lanning	Peterson, N.	Urdahl
Anderson, S.	Drazkowski	Hackbarth	Magnus	Ruth	Wardlow
Berns	Eastlund	Hamilton	McNamara	Seifert	Westrom
Brod	Emmer	Heidgerken	Nornes	Severson	Zellers
Buesgens	Erhardt	Holberg	Olson	Shimanski	
Dean	Erickson	Hoppe	Ozment	Simpson	
DeLaForest	Finstad	Howes	Paulsen	Smith	

The bill was passed, as amended, and its title agreed to.

There being no objection, the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 2837, A bill for an act relating to optometrist; changing practice and licensing provisions; amending Minnesota Statutes 2006, sections 148.56; 148.57; 148.571; 148.573, subdivision 1; 148.574; 148.575; repealing Minnesota Statutes 2006, section 148.573, subdivisions 2, 3; Minnesota Rules, part 6500.2100.

H. F. No. 3066, A bill for an act relating to elections; providing for the establishment of precinct caucus dates by the appropriate political party; requiring notice to the secretary of state; amending Minnesota Statutes 2006, sections 202A.14, subdivision 1; 202A.15, subdivision 1.

H. F. No. 3657, A bill for an act relating to Carver County; making the library board advisory to the county board.

COLLEEN J. PACHECO, Second Assistant Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 3166, A bill for an act relating to human services; amending child welfare and licensing provisions; adopting a new Interstate Compact for the Placement of Children and repealing the old compact; regulating child and adult adoptions; regulating children in voluntary foster care for treatment; providing targeted case management services to certain children with developmental disabilities; providing for certain data classifications; amending Minnesota Statutes 2006, sections 13.46, by adding subdivisions; 245C.24, subdivision 2; 245C.29, subdivision 2; 256.045, subdivisions 3, 3b; 259.20, subdivision 1; 259.21, by adding a subdivision; 259.22, subdivision 2; 259.23, subdivision 2; 259.43; 259.52, subdivision 2; 259.53, subdivision 3; 259.59, subdivisions 1, 2; 259.67, subdivisions 2, 3, by adding a subdivision; 259.75, subdivision 5; 259.89, subdivisions 1, 2, 4, by adding a subdivision; 260C.001, subdivision 2; 260C.007, subdivisions 5, 6, 13; 260C.101, subdivision 2; 260C.141, subdivision 2; 260C.171, subdivision 2; 260C.178, subdivision 1; 260C.205; 260C.212, subdivisions 7, 8, by adding a subdivision; 260C.325, subdivisions 1, 3; 524.2-114; 626.556, subdivision 7; Minnesota Statutes 2007 Supplement, sections 245C.14, subdivision 1; 245C.15, subdivisions 2, 3, 4; 245C.24, subdivision 3; 245C.27, subdivision 1; 259.41, subdivision 1; 259.57, subdivision 1; 259.67, subdivision 4; 260C.163, subdivision 1; 260C.209, subdivisions 1, 2, by adding a subdivision; 260C.212, subdivisions 1, 4; 626.556, subdivision 10a; Laws 2007, chapter 147, article 2, section 56; proposing coding for new law in Minnesota Statutes, chapters 259; 260; proposing coding for new law as Minnesota Statutes, chapter 260D; repealing Minnesota Statutes 2006, sections 260.851; 260C.141, subdivision 2a; 260C.431; 260C.435; Minnesota Statutes 2007 Supplement, section 260C.212, subdivision 9; Minnesota Rules, part 9560.0609.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Senators Torres Ray, Moua and Wergin.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

COLLEEN J. PACHECO, Second Assistant Secretary of the Senate

Walker moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 3166. The motion prevailed.

Madam Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 3337, A bill for an act relating to energy; creating coordinated process for reducing greenhouse gas emissions; proposing coding for new law in Minnesota Statutes, chapter 216H.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Senators Prettner Solon, Doll, Rosen, Anderson and Sparks.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

COLLEEN J. PACHECO, Second Assistant Secretary of the Senate

Hilty moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 5 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 3337. The motion prevailed.

Madam Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 2942, A bill for an act relating to higher education; establishing a P-20 education partnership; modifying various scholarship programs; modifying private school regulation; authorizing oral health practitioners to practice; authorizing rulemaking; establishing an oral practitioner work group; requiring a report; amending Minnesota Statutes 2006, sections 13.32, by adding a subdivision; 141.25, by adding a subdivision; Minnesota Statutes 2007 Supplement, sections 136A.126; 136A.127; 136A.65, subdivisions 1, 3, 5, 6, 7; 136A.66; 136A.67; 136A.69; 141.25, subdivision 5; 141.28, subdivision 1; 141.35; 197.791, subdivisions 1, 4, 5; proposing coding for new law in Minnesota Statutes, chapters 136F; 150A.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Senators Pappas, Lynch and Robling.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

COLLEEN J. PACHECO, Second Assistant Secretary of the Senate

Rukavina moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 2942. The motion prevailed.

Madam Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 3441, A bill for an act relating to courts; limiting testimony of domestic abuse advocates without consent of victims; amending Minnesota Statutes 2007 Supplement, section 595.02, subdivision 1.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Senators Moua, Limmer and Olson, M.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

COLLEEN J. PACHECO, Second Assistant Secretary of the Senate

Paymar moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 3441. The motion prevailed.

Madam Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 3775, A bill for an act relating to solid waste; establishing a pilot program to collect and process used paint; requiring reports.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Senators Doll, Higgins and Frederickson.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

COLLEEN J. PACHECO, Second Assistant Secretary of the Senate

Sailer moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 3775. The motion prevailed.

Madam Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 3715, 2825, 3096, 3189, 3520, 2492 and 2833.

COLLEEN J. PACHECO, Second Assistant Secretary of the Senate

FIRST READING OF SENATE BILLS

S. F. No. 3715, A bill for an act relating to Steele County; authorizing transfer of nursing home and assisted living facility and related assets to nonprofit corporation and acquisition of membership interest in nonprofit corporation; providing an exception to the moratorium on new nursing home beds for beds transferred to a new site within the county; amending Minnesota Statutes 2006, section 144A.071, subdivision 4c.

The bill was read for the first time.

Fritz moved that S. F. No. 3715 and H. F. No. 4014, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2825, A bill for an act relating to health; amending the Patient's Bill of Rights to include continuous doula support and information about evidence-based nonpharmacological pain relief; amending Minnesota Statutes 2007 Supplement, section 144.651, subdivision 9.

The bill was read for the first time and referred to the Committee on Health and Human Services.

S. F. No. 3096, A bill for an act relating to energy; creating programs for government energy conservation investments; removing rulemaking requirement for certain loan and grant programs; establishing microenergy loan program; authorizing issuance of state revenue bonds; modifying provision allowing guaranteed energy savings contracts; requiring a report; appropriating money; amending Minnesota Statutes 2006, section 216C.09; Minnesota Statutes 2007 Supplement, section 471.345, subdivision 13; proposing coding for new law in Minnesota Statutes, chapters 16B; 216C; repealing Laws 2007, chapter 57, article 2, section 30.

The bill was read for the first time.

Kalin moved that S. F. No. 3096 and H. F. No. 3669, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 3189, A bill for an act relating to drivers' licenses; imposing \$30 reinstatement fee following revocation of juvenile's license; amending Minnesota Statutes 2006, section 171.29, subdivision 1.

The bill was read for the first time.

Bigham moved that S. F. No. 3189 and H. F. No. 3490, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 3520, A bill for an act relating to energy; regulating certain property rights related to wind energy; eliminating certain duties of the Legislative Electric Energy Task Force; permitting solicitation and consideration of certain public testimony; amending Minnesota Statutes 2006, section 216C.051, by adding a subdivision; Minnesota Statutes 2007 Supplement, section 500.30, subdivision 2; repealing Minnesota Statutes 2007 Supplement, section 216C.051, subdivision 8a.

The bill was read for the first time and referred to the Energy Finance and Policy Division.

S. F. No. 2492, A bill for an act relating to state government; appropriating money for environment and natural resources; providing for repayment of certain appropriations from the environment and natural resources trust fund; amending Minnesota Statutes 2006, section 116P.10.

The bill was read for the first time and referred to the Committee on Finance.

S. F. No. 2833, A bill for an act relating to health; requiring public pools and spas to be equipped with anti-entrapment devices or systems; appropriating money; amending Minnesota Statutes 2006, sections 144.1222, subdivision 1a, by adding subdivisions; 157.16, as amended; 157.20, subdivisions 1, 2a.

The bill was read for the first time and referred to the Committee on Finance.

ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 2942:

Rukavina, Poppe and McFarlane.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 3138:

Thissen, Ruud and Holberg.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 3166:

Walker, Lesch and Abeler.

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 3172:

Pelowski, Morgan and Brod.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 3337:

Hilty, Johnson, Sailer, Brynaert and Westrom.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 3441:

Paymar, Lesch and Smith.

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 3775:

Sailer, Simon and Ozment.

CALENDAR FOR THE DAY

S. F. No. 3672 was reported to the House.

Rukavina, Dill, Otremba, Urdahl, Eken, Heidgerken, Finstad, Magnus and Seifert moved to amend S. F. No. 3672, the second unofficial engrossment, as follows:

Page 4, after line 25, insert:

"Sec. 8. **REPEALER.**

Minnesota Statutes 2006, section 340A.409, is repealed.

Sec 9. **REVISOR'S INSTRUCTION.**

The Revisor is instructed to remove all references to Minnesota Statutes 340A.409 within Minnesota Statutes, and revise all statutory language in accordance with this instruction."

Amend the title accordingly

The motion did not prevail and the amendment was not adopted.

Urdahl moved to amend S. F. No. 3672, the second unofficial engrossment, as follows:

Page 2, after line 25, insert:

"Sec. 4. Minnesota Statutes 2006, section 340A.409, subdivision 4, is amended to read:

Subd. 4. **Insurance not required.** Subdivision 1 does not apply to licensees who by affidavit establish that:

(1) they are on-sale 3.2 percent malt liquor licensees with sales of less than \$25,000 of 3.2 percent malt liquor for the preceding year;

(2) they are off-sale 3.2 percent malt liquor licensees with sales of less than \$50,000 of 3.2 percent malt liquor for the preceding year;

(3) they are holders of on-sale wine licenses with sales of less than \$25,000 for wine for the preceding year; ~~or~~

(4) they are holders of temporary wine licenses issued under law; or

(5) they offer all customers a free blood alcohol test, and provide results to customers choosing such a test prior to their leaving the establishment."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

The motion did not prevail and the amendment was not adopted.

Heidgerken; Urdahl; Rukavina; Emmer; Anderson, B.; Anzelc; Hackbarth and Ozment offered an amendment to S. F. No. 3672, the second unofficial engrossment.

POINT OF ORDER

Atkins raised a point of order pursuant to rule 3.21 that the Heidgerken et al amendment was not in order. Speaker pro tempore Juhnke ruled the point of order well taken and the Heidgerken et al amendment out of order.

Heidgerken appealed the decision of Speaker pro tempore Juhnke.

A roll call was requested and properly seconded.

The vote was taken on the question "Shall the decision of Speaker pro tempore Juhnke stand as the judgment of the House?" and the roll was called. There were 82 yeas and 47 nays as follows:

Those who voted in the affirmative were:

Atkins	Eken	Johnson	Mahoney	Pelowski	Thissen
Benson	Erhardt	Juhnke	Mariani	Peterson, A.	Tillberry
Berns	Fritz	Kahn	Marquart	Peterson, N.	Urdahl
Bigham	Gardner	Knuth	Masin	Peterson, S.	Wagenius
Bly	Gottwalt	Kranz	McFarlane	Poppe	Walker
Brown	Greiling	Laine	Morgan	Ruud	Ward
Brynaert	Hansen	Lanning	Morrow	Sailer	Wardlow
Bunn	Hausman	Lenczewski	Mullery	Sertich	Welti
Carlson	Haws	Lesch	Murphy, E.	Severson	Winkler
Clark	Hilstrom	Liebling	Murphy, M.	Simon	Wollschlager
Davnie	Hilty	Lieder	Nelson	Slocum	Zellers
Dittrich	Hortman	Lillie	Norton	Solberg	Spk. Kelliher
Dominguez	Hosch	Loeffler	Paulsen	Swails	
Eastlund	Huntley	Madore	Paymar	Thao	

Those who voted in the negative were:

Abeler	DeLaForest	Faust	Hoppe	Moe	Ruth
Anderson, B.	Demmer	Finstad	Howes	Nornes	Seifert
Anderson, S.	Dettmer	Garofalo	Jaros	Olin	Shimanski
Anzelc	Dill	Gunther	Kalin	Olson	Simpson
Brod	Doty	Hackbarth	Koenen	Otremba	Smith
Buesgens	Drazkowski	Hamilton	Kohls	Ozment	Tschumper
Cornish	Emmer	Heidgerken	Magnus	Peppin	Westrom
Dean	Erickson	Holberg	McNamara	Rukavina	

So it was the judgment of the House that the decision of Speaker pro tempore Juhnke should stand.

Magnus, Cornish, Rukavina, Hackbarth, Buesgens, Finstad and Dill moved to amend S. F. No. 3672, the second unofficial engrossment, as follows:

Page 4, line 14, delete "\$2,500" and insert "\$500"

A roll call was requested and properly seconded.

The question was taken on the Magnus et al amendment and the roll was called. There were 40 yeas and 90 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	DeLaForest	Finstad	Howes	Nornes	Seifert
Anderson, S.	Demmer	Gunther	Jaros	Olson	Shimanski
Berns	Dettmer	Hackbarth	Kohls	Ozment	Simpson
Brod	Dill	Hamilton	Lanning	Paulsen	Smith
Buesgens	Drazkowski	Heidgerken	Magnus	Peppin	Westrom
Cornish	Emmer	Holberg	McFarlane	Rukavina	
Dean	Erickson	Hoppe	McNamara	Ruth	

Those who voted in the negative were:

Abeler	Eken	Johnson	Mariani	Peterson, N.	Urdahl
Anzelc	Erhardt	Juhnke	Marquart	Peterson, S.	Wagenius
Atkins	Faust	Kahn	Masin	Poppe	Walker
Benson	Fritz	Kalin	Moe	Ruud	Ward
Bigham	Gardner	Knuth	Morgan	Sailer	Wardlow
Bly	Garofalo	Koenen	Morrow	Sertich	Welti
Brown	Gottwalt	Kranz	Mullery	Severson	Winkler
Brynaert	Greiling	Laine	Murphy, E.	Simon	Wollschlager
Bunn	Hansen	Lenczewski	Murphy, M.	Slocum	Zellers
Carlson	Hausman	Lesch	Nelson	Solberg	Spk. Kelliher
Clark	Haws	Liebling	Norton	Swails	
Davnie	Hilstrom	Lieder	Olin	Thao	
Dittrich	Hilty	Lillie	Otremba	Thissen	
Dominguez	Hortman	Loeffler	Paymar	Tillberry	
Doty	Hosch	Madore	Pelowski	Tingelstad	
Eastlund	Huntley	Mahoney	Peterson, A.	Tschumper	

The motion did not prevail and the amendment was not adopted.

Heidgerken offered an amendment to S. F. No. 3672, the second unofficial engrossment.

POINT OF ORDER

Atkins raised a point of order pursuant to rule 3.21 that the Heidgerken amendment was not in order. Speaker pro tempore Juhnke ruled the point of order well taken and the Heidgerken amendment out of order.

S. F. No. 3672, A bill for an act relating to relating to liquor; permitting farm wineries to manufacturer and sell distilled spirits under certain conditions; authorizing liquor licenses; making technical corrections; amending Minnesota Statutes 2006, section 340A.315, by adding a subdivision; Minnesota Statutes 2007 Supplement, section 340A.412, subdivision 4.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 98 yeas and 32 nays as follows:

Those who voted in the affirmative were:

Anderson, S.	Dittrich	Hortman	Lillie	Otremba	Thao
Anzenc	Dominguez	Hosch	Loeffler	Paulsen	Thissen
Atkins	Doty	Howes	Madore	Paymar	Tillberry
Benson	Drazkowski	Huntley	Magnus	Pelowski	Tingelstad
Berns	Eken	Jaros	Mahoney	Peterson, A.	Tschumper
Bly	Erhardt	Johnson	Mariani	Peterson, N.	Urdahl
Brynaert	Faust	Juhnke	Marquart	Peterson, S.	Walker
Buesgens	Gunther	Kahn	Masin	Rukavina	Ward
Carlson	Hackbarth	Knuth	McNamara	Sailer	Wardlow
Clark	Hamilton	Koenen	Moe	Sertich	Welti
Cornish	Hansen	Kohls	Morrow	Severson	Winkler
Davnie	Hausman	Kranz	Mullery	Shimanski	Zellers
Dean	Haws	Laine	Murphy, E.	Simon	Spk. Kelliher
DeLaForest	Heidgerken	Lanning	Murphy, M.	Simpson	
Demmer	Hilstrom	Lenczewski	Nelson	Slocum	
Dettmer	Hilty	Lesch	Nornes	Smith	
Dill	Hoppe	Lieder	Olin	Solberg	

Those who voted in the negative were:

Abeler	Eastlund	Garofalo	McFarlane	Poppe	Westrom
Anderson, B.	Emmer	Gottwalt	Morgan	Ruth	Wollschlager
Bigham	Erickson	Greiling	Norton	Ruud	
Brod	Finstad	Holberg	Olson	Seifert	
Brown	Fritz	Kalin	Ozment	Swails	
Bunn	Gardner	Liebling	Peppin	Wagenius	

The bill was passed and its title agreed to.

S. F. No. 3443, A bill for an act relating to veterans; designating July 27 as Korean War Veterans Day; proposing coding for new law in Minnesota Statutes, chapter 197.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abeler	Dill	Haws	Lesch	Olin	Slocum
Anderson, B.	Dittrich	Heidgerken	Liebling	Olson	Smith
Anderson, S.	Dominguez	Hilstrom	Lieder	Otremba	Solberg
Anzenc	Doty	Hilty	Lillie	Ozment	Swails
Atkins	Drazkowski	Holberg	Loeffler	Paulsen	Thao
Benson	Eastlund	Hoppe	Madore	Paymar	Thissen
Berns	Eken	Hortman	Magnus	Pelowski	Tillberry
Bigham	Emmer	Hosch	Mahoney	Peppin	Tingelstad
Bly	Erhardt	Howes	Mariani	Peterson, A.	Tschumper
Brod	Erickson	Huntley	Marquart	Peterson, N.	Urdahl
Brown	Faust	Jaros	Masin	Peterson, S.	Wagenius
Brynaert	Finstad	Johnson	McFarlane	Poppe	Walker
Buesgens	Fritz	Juhnke	McNamara	Rukavina	Ward
Bunn	Gardner	Kahn	Moe	Ruth	Wardlow
Carlson	Garofalo	Kalin	Morgan	Ruud	Walti
Clark	Gottwalt	Knuth	Morrow	Sailer	Westrom
Cornish	Greiling	Koenen	Mullery	Seifert	Winkler
Davnie	Gunther	Kohls	Murphy, E.	Sertich	Wollschlager
Dean	Hackbarth	Kranz	Murphy, M.	Severson	Zellers
DeLaForest	Hamilton	Laine	Nelson	Shimanski	Spk. Kelliher
Demmer	Hansen	Lanning	Nornes	Simon	
Dettmer	Hausman	Lenczewski	Norton	Simpson	

The bill was passed and its title agreed to.

Sertich moved that the remaining bills on the Calendar for the Day be continued. The motion prevailed.

There being no objection, the order of business reverted to Messages from the Senate.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Madam Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 3172, A bill for an act relating to elections; changing certain ballot delivery, election judge, mail election, special election and special primary, school district election, and postelection review procedures; authorizing continued use of certain applications; amending Minnesota Statutes 2006, sections 203B.06, subdivision

3; 203B.11, subdivision 4; 204B.21; 204B.46; 204D.19, subdivision 2; 204D.23, subdivision 2; 204D.27, by adding a subdivision; 205.075, by adding a subdivision; 205A.03, subdivision 1; 205A.06, subdivision 1a; 205A.10, subdivision 2; 205A.12, by adding a subdivision; 206.89, subdivision 5.

The Senate has appointed as such committee:

Senators Rest, Larson and Gerlach.

Said House File is herewith returned to the House.

COLLEEN J. PACHECO, Second Assistant Secretary of the Senate

Madam Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to the following Senate File:

S. F. No. 3001, A bill for an act relating to education; providing for prekindergarten through grade 12 education; including general education, education excellence, special programs, libraries, state agencies, and self-sufficiency and lifelong learning; amending Minnesota Statutes 2006, sections 13.32, by adding a subdivision; 120A.05, subdivision 10a; 120A.22, subdivision 5; 120A.24, subdivisions 1, 2; 120B.02; 120B.021, subdivision 1a; 120B.023, subdivision 2; 121A.035, subdivision 2; 121A.037; 122A.06, subdivision 4; 122A.07, subdivisions 2, 3; 122A.09, subdivision 4; 122A.18, subdivisions 2, 2a, by adding a subdivision; 123B.14, subdivision 7; 123B.36, subdivision 1; 123B.37, subdivision 1; 123B.77, subdivision 3; 123B.81, subdivisions 3, 5; 123B.83, subdivision 3; 123B.88, subdivision 3; 124D.10, subdivisions 2a, 4a, 6, 6a, 7, 8, 20, 23; 124D.19, subdivision 14; 124D.522; 124D.55; 124D.60, subdivision 1; 124D.68, subdivision 2; 124D.86, by adding a subdivision; 125A.02, subdivision 1; 125A.15; 125A.51; 125A.65, subdivision 4, by adding a subdivision; 125A.744, subdivision 3; 125B.07, by adding a subdivision; 126C.40, subdivision 6; 134.31, subdivision 6, by adding a subdivision; 260C.007, subdivision 19; 299F.30, subdivision 1; Minnesota Statutes 2007 Supplement, sections 120B.021, subdivision 1; 120B.024; 120B.30; 123B.81, subdivision 4; 124D.10, subdivisions 4, 23a; 134.31, subdivision 4a; proposing coding for new law in Minnesota Statutes, chapters 1; 121A; 125B; 127A; 134; repealing Minnesota Statutes 2006, sections 120A.22, subdivision 8; 121A.23; 121A.67; Laws 2006, chapter 263, article 3, section 16.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Senators Wiger; Saltzman; Olson, G.; Dahle and Rummel.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

COLLEEN J. PACHECO, Second Assistant Secretary of the Senate

Mariani moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 5 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 3001. The motion prevailed.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 3001:

Mariani, Brynaert, Ward, Slocum and Urdahl.

MOTIONS AND RESOLUTIONS

Severson moved that the name of Olson be added as an author on H. F. No. 1261. The motion prevailed.

Hansen moved that the name of Bigham be added as an author on H. F. No. 2540. The motion prevailed.

Morgan moved that the name of Anzelc be added as an author on H. F. No. 2978. The motion prevailed.

Murphy, M., moved that the name of Paymar be shown as fifth author and the names of Smith, Kahn and Nelson be added as second, third and fourth authors on H. F. No. 3082. The motion prevailed.

Beard moved that the name of Johnson be added as an author on H. F. No. 3327. The motion prevailed.

Davnie moved that the name of Nelson be added as an author on H. F. No. 3346. The motion prevailed.

Tingelstad moved that the name of Ruud be added as an author on H. F. No. 3448. The motion prevailed.

Solberg moved that the name of Wollschlager be added as an author on H. F. No. 3587. The motion prevailed.

Holberg moved that her name be stricken as an author on H. F. No. 3800. The motion prevailed.

Moe moved that the names of Otremba and Gottwalt be added as authors on H. F. No. 3935. The motion prevailed.

Rukavina moved that S. F. No. 3486 be recalled from the Committee on Health and Human Services and together with H. F. No. 3873, now on the General Register, be referred to the Chief Clerk for comparison. The motion prevailed.

Lenczewski moved that H. F. No. 2260 be returned to its author. The motion prevailed.

Lenczewski moved that H. F. No. 3200 be returned to its author. The motion prevailed.

ADJOURNMENT

Sertich moved that when the House adjourns today it adjourn until 10:30 a.m., Wednesday, April 30, 2008. The motion prevailed.

Sertich moved that the House adjourn. The motion prevailed, and Speaker pro tempore Juhnke declared the House stands adjourned until 10:30 a.m., Wednesday, April 30, 2008.

ALBIN A. MATHIOWETZ, Chief Clerk, House of Representatives

